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ABSTRACT

Prepared for the Board of Governors of the California Community Colleges, this report provides an overview of the 50% Law (Education Code Section 84362), which requires the state's community college districts to spend 50% of the current expense of education each fiscal year (FY) on the payment of salaries for classroom instructors. The first of the four sections of the report presents the January 1981 report to the California legislature from the Board concerning the operation, effects, and extent of compliance with the provisions of the 50% Law by the community colleges in FY 1977-78 through 1979-80. This report includes a history of the law, the Board's regulations, and information on compliance, exemptions, and remaining issues. The second section provides statistical information on plant maintenance and operation costs for non-complying districts; faculty workload data for the lowest and highest workload districts and for non-complying districts; and districts with the highest and lowest percentages of expenditures for 50% Law purposes. The third section presents information on the application of the 50% Law in the Butte Community College District, which for several years had difficulties in complying with the regulation. The final section presents items on the law presented by faculty organizations. (HB)

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Item 4

ED239672

Title: Fifty Percent Law Review

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Summary

This item provides the Board for discussion purposes with an overview of Education Code Section 84362 (50% Law), concerns as to its effectiveness, and difficulties in its administration. The item includes a report made to the Legislature in January 1981, four updated statistical charts and a brief discussion of the application of the statute to the Butte Community College District. Additional information may be found in the April 1983 Board of Governors agenda.

Faculty organizations were offered the opportunity to have their views included in this item. Their papers are included at Section O.

JC 840 045

Background

Each April, the Board of Governors acts on community college district requests for exemption from the requirements of Education Code Section 84362, the 50% Law. This frequently generates animated discussions by the faculty and administrators from involved districts and questions from members of the Board of Governors. This happened at the April, 1983 meeting. The Board adopted the staff recommendations for granting and denying applications for exemption, but directed staff to bring to the Budget, Finance, and Legislation Committee a review of the statute for discussion at the June meeting. The Board also directed staff to analyze the application of the statute to the Butte Community College District.

This item is presented in three parts: the January 1981, Report to the Legislature (Part A); four up-to-date statistical charts (Part B); and an analysis of the application of the statute to the Butte Community College District (Part C). Those should be read in the order presented. The Report to the Legislature presents the historical background of the statute, the Board of Governors' regulations for its implementation, and an analysis of districts' compliance with its requirements, as well as factors which may affect compliance. Four charts present updated statistics which show that patterns identified in the 1981 Report continue. Finally, the discussion of the Butte Community College District analyzes the application of the statute in that district.

Faculty organizations were offered the opportunity to have their views included in this item. Their papers are included at Part D.

Section A

A REPORT TO THE LEGISLATURE CONCERNING THE OPERATION, EFFECT AND EXTENT OF COMPLIANCE WITH THE PROVISIONS OF EDUCATION CODE SECTION 84362 BY CALIFORNIA COMMUNITY COLLEGE DISTRICTS IN FISCAL YEARS 1977-1978, 1978-1979 AND 1979-1980

Submitted by:

BOARD OF GOVERNORS
California Community Colleges

Gerald C. Hayward, Chancellor

January 19, 1981

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A REPORT
TO THE LEGISLATURE
CONCERNING
THE OPERATION, EFFECT AND EXTENT OF COMPLIANCE
WITH THE PROVISIONS OF EDUCATION CODE SECTION 84362
BY CALIFORNIA COMMUNITY COLLEGE DISTRICTS
IN FISCAL YEARS 1977-1978, 1978-1979 AND 1979-1980*

INTRODUCTION

Education Code Section 84363 states:

"The board of governors shall, no later than the 10th calendar day of each year of the Legislature, submit to the Legislature a written report on the operation, effect, and the extent of compliance with the provisions of Section 84362 by community college districts in the state during the two most recently ended fiscal years. The report shall describe the activities of the board of governors, and the chancellor's office, undertaken to insure compliance with the provisions of Section 84362, and may contain recommendations for legislation pertaining to that subject."

This report is submitted in response to this mandate.

This report differs from previous annual reports submitted pursuant to Education Code Section 84363. In previous years the Board of Governors has simply reported which community college districts have complied or failed to comply with the provisions of Education Code Section 84362, which districts have requested exemptions from the requirements of Education Code Section 84362, which districts were granted exemptions, and the basis on which those exemptions were granted.

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*Education Code Section 84363 requires the Board of Governors to annually report regarding "the two most recently ended fiscal years." These are fiscal years 1978-1979 and 1979-1980. However, the Chancellor will not have completed his analysis of data and the Board of Governors will not have considered requests for exemption for 1979-1980 until April, 1981. Therefore, in previous years the Board of Governors has interpreted this statute to require a report not on the two most recently ended fiscal years, but on the two fiscal years preceding the most recently ended fiscal year. This year the Board of Governors reports on the three most recently ended fiscal years in an attempt to comply both with the literal requirements of the mandate and to make a full report to the Legislature.

In the last two years the provisions of Education Code Section 84362 have increasingly served as the basis for controversy in the California Community Colleges. Therefore, this report carefully analyzes the requirements of the statute, the problems created by the terms of the statute and by the juxtaposition of this statute against other laws. The Board of Governors, through regulation, and the Chancellor, through administrative practice, have attempted to cure defects and ambiguities in the statute. These regulations and practices are also not without controversy, and are discussed in this report.

This report does not propose amendments to Section 84362. However, it is hoped that this report will serve to initiate a discussion among all groups in the California community colleges from which legislation could be proposed.

EDUCATION CODE SECTION 84362

Education Code Section 84362, the "50% Law," requires California Community College districts to spend each fiscal year 50% of their current expense of education for payment of salaries of classroom instructors. The statute defines both the current expense of education and salaries of classroom instructors. The full text of the statute is set forth in Appendix 1. The statute also allows districts to apply to the Board of Governors for exemption from the provisions of the statute, and creates a mechanism to allow faculty the opportunity to participate in the decision to apply for such an exemption. Before analyzing this statute in detail, it is helpful to review the history of the present statute.

LEGISLATIVE HISTORY

Early Statutes

A statute requiring that a specific percentage of a district's income or expenditures be spent for salaries of teachers has long been a part of

California education law. In 1851, just one year after the admission of the new state, the first such statute was enacted to require:

> "Not less than sixty percent of the amount paid each district shall be expended in teacher's wages, the balance may, at the discretion of the district, be expended in building or repairing schoolhouses, purchasing a library or apparatus, or for the support of a high school." An Act Concerning Common Schools and Public Instruction, Chapter 126, Statutes of 1851.

The essential thrust of this early statute has continued to the present day, although the statute has been repealed and reenacted repeatedly and substantively amended twenty-seven times since 1851. The percentage required to be spent has varied substantially as has the base from which the percentage was calculated. At times different percentages have been applied to money received from the state and money received from local sources. In 1909 the statute was amended to allow inclusion of the salary for a superintendent or supervising principal within the percentage required to be spent for teachers' salaries. In 1947 the previous statute was repealed and reenacted to require that 85% of the money received from the State School Fund be expended for salaries of certificated personnel. The new statute also authorized the Superintendent of Public Instruction to grant exemptions from the statute.

1961 Amendments

In 1961, Section 17503 of the Education Code of 1959 required that in junior colleges not less than 65% of the foundation program or 65% of the total state basic and equalization aid plus the amount which could be raised by levy of the maximum tax rate corrected for interdistrict tuition paid and received be spent for salaries of certificated personnel. At this time Section 17503 was repealed and reenacted with major revisions. The new Section 17503 required, in part,

"There shall be expended during each fiscal year for payment of salaries of classroom teachers:

(a) By an elementary school district, sixty percent (60%) of the district's current expense of education.

(b) By a high school district, fifty percent (50%) of the district's current expense of education.

(c) By a junior college district, fifty percent (50%) of the district's current expense of education.

(d) By a unified school district, fifty-five percent (55%) of the district's current expense of education." (Emphasis added).
Section 17503 (in part). Added by Chapter 2194, Statutes of 1961.

This became the substantive ancestor of present Section 84362. The report of the Senate Fact-Finding Committee on Governmental Administration which recommended the change is most interesting.

The Committee's report, entitled, An Analysis of School District Expenditures for Certificated Personnel Salaries, reveals that the committee was most concerned with class size. The committee found that California had the fifth largest class size of the fifty states, and that California had the highest number of certificated personnel, in relation to total certificated personnel, employed in duties other than teaching (at p. 9). The committee then stated that the purpose of its proposal was to reduce class size:

"The proposed revision of Section 17503 is designed specifically to encourage the reduction of class size. The alarming trend toward larger class size in California must be reversed if we expect our children to be able to compete with equal advantage with children from other states and nations. Likewise the trend, especially in urban areas, toward removing certificated personnel from the classroom and placing them in non-classroom positions should be discouraged. Education takes place in a classroom that is manned by a skilled teacher. Skilled teachers are too scarce today, and far too vital to the future to be wasting their talents in non-classroom pursuits. The value of the art of teaching should be re-emphasized

and the classrooms again should be recognized as the most important part of a good school system."

Thus, our present Section 84362 was enacted originally to stop the trend to larger class size in California schools.

In its report the Committee does not discuss how it determined that fifty percent was the appropriate percentage to be spent for classroom instructors in junior college districts and high school districts, nor why sixty percent was chosen for elementary school districts, or fifty-five percent for unified school districts. The Committee did present a table, which revealed that in 1959-60, of twenty-four junior colleges in junior college districts, fifteen were not then spending 50% of their current expense of education for teachers' salaries. Of eight junior college and high school districts combined, one did not spend 50%, and four spent exactly 50% for teachers' salaries. No figures were reported on class size in those districts.

Percent of Total Current Expenses Paid to Classroom Teachers in Junior College Districts and High School Districts with a Junior College 1959-1960*

	Total Current Expense Less Transportation Costs	Classroom Teachers Salaries	% of Total CEE Paid to Classroom Teachers Salaries
Junior College Districts			
American River	$ 956,042	$ 389,507	41
Cabrillo	367,341	106,483	29
Cerritos	1,263,539	468,851	37
Chaffey	1,405,933	684,635	49
Compton	1,519,965	664,283	44
Contra Costa	2,544,092	1,236,067	48
El Camino	3,560,146	1,983,742	56
Foothill	1,051,660	370,717	35
Fullerton	2,198,637	1,176,570	54
Hartnell	906,554	477,800	53
Imperial		Not reported	
Marin	779,107	412,829	53
Mt. San Antonio	2,402,613	1,153,937	48
North San Diego-Palomar	525,064	268,232	51
Orange Coast	1,671,818	710,795	43
Riverside	1,135,702	558,047	52
San Bernardino Valley	1,853,540	998,194	54
San Mateo	2,174,292	987,126	45
Santa Maria	335,486	179,170	53
Santa Rosa	1,189,113	563,682	47
Sequoias	948,833	442,050	47
Sierra	527,696	299,189	57
Siskiyous	145,364	63,383	44
Yuba	718,575	351,402	49
High School Districts with a Junior College			
Antelope Valley	$2,491,241	$1,248,818	50
Coalinga	1,418,180	656,394	46
Kern	9,378,337	4,943,590	53
Lassen	562,551	291,440	52
Monterey	5,429,757	3,207,753	59
Porterville	1,304,076	649,850	50
Reedley	1,161,963	583,257	50
Taft	1,492,555	752,662	50

*From an Analysis of School District Expenditures for Certificated Personnel Salaries, Table III, p. 59.

While recommending new Section 17503 to reduce class size, the Committee did have other reasons for recommending the repeal of former Section 17503:

> "(a) For all practical purposes it is meaningless as a guide for the expenditure of school funds. Although this was originally the objective of the section, in practice it affects less than one percent of the total school districts as shown in Tables II and III.
>
> (b) Generally, it affects only relatively small districts that have had a significant growth in the preceding fiscal year. Even this minor effect results from an illogical and unfair provision of the code section. It leaves unaffected the large A.D.A. districts that might be offenders of proper expenditure.
>
> (c) The formula that it sets forth for computing the required amount to be paid to certificated personnel is one of the most complicated and ambiguous that has yet been devised for school finance. It has caused untold confusion and has wasted literally thousands of manhours in computation, yet often it is not computed correctly.
>
> (d) Obviously more money in the form of manhours has been expended in developing an understandable explanation of the code section and in fruitless working of the formula for each district by certain county school offices than has been effected by the operation of the code section.
>
> (e) Almost all personnel in offices of the County Superintendents visited by the staff of this committee interpreted the code section differently, disagreed on its application and found conflicting answers in applying the formula to districts under their jurisdiction. Some County Superintendents, although ultimately responsible for the enforcement of this section, failed to take any notice of it since its adoption in 1955 and amendment in 1957.
>
> (f) The provision that if any district fails to meet the requirements of the Section, the County Superintendent shall withhold 80% of the restricted funds and place them in his county service fund is unrealistic. Any restricting of funds should be the function of the State agency which apportions the funds, not a county agency which essentially has only a service function."

This report will show that many of these reasons are today applicable to Section 84362.

Recent Amendments

Since 1961 the 50% Law has been amended ten times. These amendments have largely involved the definitions of the terms, "current expense of education," and "salaries of classroom instructors." These amendments have resulted in a broader definition of "salaries of classroom instructors" and a narrower definition of "current expense of education." In 1978 the statute was amended to require a district to provide a copy of its application for exemption from the 50% Law to its certificated employees and to allow the certificated employees to oppose the application before the Board of Governors.

The full history of this statute is set forth in Appendix 2.

THE STATUTE TODAY

The 50% Law requires that California Community College districts spend in each fiscal year 50% of their current expense of education for salaries of classroom instructors.

If the Board of Governors finds that a district has not spent in the preceding fiscal year the applicable percent of its current expense of education for salaries of classroom instructors, it is to designate the amount of the apparent deficiency in apportionments made after April 15 of the year following the deficiency. This amount is deposited in the county treasury to the credit of the district, but unavailable for expenditure.

The law authorizes the Board of Governors to exempt a community college district from the effects of its failure to satisfy the 50% Law requirement upon a finding that application of the 50% Law requirement would result either in serious hardship to the district or in payment of salaries of classroom instructors in excess of salaries paid by other districts of comparable type and functioning under comparable conditions.

A district wishing to apply for an exemption must do so with the written approval of the County Superintendent of Schools by September 15 of the succeeding fiscal year. The district must provide a copy of its application to the exclusive representative of the district's certificated employees or the academic senate and all certificated employee organizations eligible for payroll dues deductions. These certificated employee organizations may then submit a written statement opposing the district's application within thirty days to the Board of Governors.

If the district fails to file an application for exemption from the effects of its failure to comply with the 50% Law, or if the Board of Governors denies the district's application in whole or in part, the Board of Governors is required to order the amount not exempted to be added to the amount to be expended for classroom instructors during the next fiscal year.

There is, then, a three-year cycle for administering the 50% Law:

Year 1: Expenditures are made.

Year 2: The Chancellor determines whether a district has complied with the requirements of Education Code Section 84362 during the preceding fiscal year. A district may apply to the Board of Governors for, and be granted, an exemption from the requirements of the 50% Law in Year 1 if its application would result in (1) serious hardship to the district, or (2) payment of salaries of classroom instructors in excess of salaries paid by other districts of comparable type and functioning under comparable conditions.

Year 3: Amounts not exempted must be added to the salaries paid to classroom instructors. Year 3 then becomes Year 1 in a new cycle. The district is required to spend 50% of its current expense of education, plus the amount

not exempted. This is the amount necessary to meet the requirements of Education Code Section 84362, and which is subject to an application for exemption in Year 2.

THE BOARD OF GOVERNORS' REGULATIONS

Education Code Section 84362 requires the Board of Governors to enforce its requirements, and states that the Board may adopt rules and regulations to that end. The Board of Governors first adopted regulations to implement the 50% Law in October, 1977. These regulations were amended in June, 1979. The Board's regulations are designed with three overriding purposes: (1) to serve the intent of the statute that community college districts spend 50% of their current expense of education for salaries of classroom instructors: (2) to provide for the effective and efficient administration of the statute; and (3) to require that whenever possible, disputes regarding a district's compliance with the statute be resolved before the locally elected board of trustees.

The full set of the Board's regulations implementing this statute is set forth in Appendix 3.

PUBLIC HEARING.

The statute requires a district applying for exemption from the 50% Law requirement to provide a copy of the application to the exclusive representative of the district's certificated employees or the academic senate and all certificated employee organizations eligible for payroll dues deductions. This organization may then submit a written statement opposing the application to the Board of Governors.

In an effort to assure that, as much as possible, disputes regarding the district's application for exemption are resolved at the local level, the

Board of Governors' regulations require the district to consider its application for exemption at a public hearing. Ten days notice must be given of the hearing. Interested persons must be given an opportunity to be heard prior to the district governing board's deciding to apply for an application for exemption.

Controversy has arisen over this public hearing requirement. Faculty organizations in some districts have argued that this requirement gives them the right to an adjudicative type hearing at which an administrative law judge presides and witnesses are sworn and cross-examined. No such adversary process was intended. Rather, the Board of Governors intended that the matter be fully discussed and all interested persons be given an opportunity to speak, so that the district governing board will make a well-considered decision.

AUDIT REQUIREMENTS

Education Code Sections 84040 and 84040.5 require that each community college district be audited each year, in compliance with instructions from the Department of Finance. The Department's Standards and Procedures for Audit of California Local Educational Agencies require the auditor to explicitly address the district's compliance with the 50% Law. The Board of Governors' regulations intend that the district governing board consider the audit reports in making its decision to apply for an exemption from the 50% Law requirement as a further measure to have all issues of fact resolved locally.

The district may not receive the report from its auditors until November 15. However, the statute requires districts to apply for exemption by September 15. To resolve this difference between dates, the Board of Governors' regulations require a district to apply for exemption by September 15 and to follow this initial application with supplemental information. The supplemental

information must result from the district governing board's determining the basis for the request for exemption at a public hearing in which the audit report is fully considered. The supplemental information must be filed by February 1. The faculty organization which, by statute, may object to the district's application for exemption may submit an additional written statement following the district's submitting the supplemental information.

The 50% Law could be much more effectively administered by both the Board of Governors and community college districts were the deadline for applying for exemption amended from September 15 to February 1 of the succeeding fiscal year.

COMPLIANCE

HISTORICAL

During the twenty years since 1961, forty-six different community college districts have failed to satisfy the requirements of the 50% Law during at least one fiscal year.* The number of districts which have failed to comply in a given fiscal year has ranged from five in 1972-1973 to thirteen in both 1976-1977 and 1977-1978. See Table, T-1, T-2.

Compliance has been particularly difficult for new community college districts. Sixteen of the seventeen districts established since 1961 failed to comply with the 50% Law requirement at least once during the district's first three years of existence. Thirteen of the seventeen districts failed to comply in the first year of existence. Of the remaining four, two failed to comply when the district established its own campus apart from a high school campus. The Lake Tahoe Community College District, established in 1975, failed to comply in its second year, when a library was acquired. The Southwestern Community College District has

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*Unless otherwise specified, all data reported is that collected by the Chancellor's Office, California Community Colleges, from community college districts on their Annual Financial and Budget Report, Form CCFS 311 and various other reports.

always met the 50% Law requirement. Thus, there is a significant correlation between the organization of a new district or a new campus and failure to meet the 50% Law requirement.

Thirteen of the sixteen noncomplying districts established since 1961 met the 50% Law requirement within four years of their initial year of noncompliance. One district met the requirement after six years. The Lake Tahoe Community College District, established in 1975, met the requirement in its first year, but has failed to comply since. The Fremont-Newark Community College District, established in 1967, has never complied with the requirement.

REPORTED YEARS

In the last three fiscal years, the subject of this report, community college districts have made significant progress in their compliance with the 50% Law requirement.

Fiscal Year 1977-1978

In fiscal year 1977-1978, thirteen districts did not comply with the 50% Law requirement. Eight of those thirteen districts had also failed to comply for at least the three previous fiscal years. One of the thirteen failed to comply only because it was required to spend more than 50% for teachers' salaries because of a prior year deficiency.

Fiscal Year 1978-1979

In fiscal year 1978-1979, only nine districts failed to meet the 50% Law requirement, and only four districts had also failed to comply for the three previous years. One of those four failed to comply in 1978-1979 only because of a prior year deficiency.

Fiscal Year 1979-1980

In fiscal year 1979-1980, ten districts did not comply with the 50% Law requirement. Five of those ten districts had also failed to comply in the three preceding fiscal years. However, three of the ten districts failed to comply only because of a prior year deficiency.

Thus, in 1977-1978, twelve districts failed to expend fifty percent of their current expense of education for salaries of classroom teachers. In 1978-1979, eight districts failed to expend fifty percent for salaries of classroom teachers; and in 1979-1980, only seven districts failed to spend fifty percent for salaries of classroom teachers.

Although in the last three fiscal years community college districts have steadily improved in their compliance with the 50% Law, many factors affecting the ratio of salaries of classroom teachers to the current expense of education could reverse this trend. These are discussed below.

PREDICTABILITY OF COMPLIANCE

As controversy swells around the 50% Law, the Board of Governors has been attempting to assess its effect. In considering requests for exemption from the effects of noncompliance in 1978-1979, ten factors were analyzed for all seventy California community college districts:

1. Average daily attendance for the fiscal year.
2. Ratio of the current expense of education to average daily attendance.
3. Ratio of state and local income to average daily attendance.
4. Ratio of weekly student contact hours to faculty full-time equivalents.

5. Median salary paid to full-time certificated employees.
6. Ratio of costs of maintenance and plant operation to average daily attendance.
7. Ratio of part-time certificated salaries paid to total certificated salaries.
8. Ratio of noninstructional salaries and fringe benefits to the current expense of education.
9. Total enrollment.
10. Average class size.

Each of these factors is set forth for each of the seventy community college districts in Table 24, Factor Values For All Community College Districts, Fiscal Year 1978-79. Those factors which have received most discussion are discussed below.

CLASS SIZE

Although the 50% Law was enacted in 1961 in an attempt to control increasing class size, it is readily apparent that there is no relation between failure to meet the 50% Law requirement and class size.

For 1978-1979 the districts which failed to satisfy the 50% Law requirement had the following average class size:

Fremont-Newark	23.0
Hartnell	23.0
Lake Tahoe	22.0
Marin	18.3
Mendocino	14.0
Palo Verde	17.0
Santa Clarita	24.0
West Hills	16.0
West Kern	8.0

Compare the five districts which in 1978-1979 paid the highest percent of their current expense of education for salaries of classroom teachers:

Antelope Valley	23.0
Imperial	23.0
North Orange	25.9
San Joaquin Delta	24.0
Santa Barbara	25.0

The districts which failed to meet the requirements of the 50% Law had a lower average class size than the districts who paid the highest percentage for salaries of classroom instructors. Indeed, the West Kern Community College District had the lowest average class size in the state, yet failed to meet the 50% Law requirement.

DISTRICT OR COLLEGE SIZE

In recent years, the inability to comply with the requirements of the 50% Law has increasingly been a problem of small districts or of districts with a small campus. See Table 5. The average daily attendance of the districts failing to meet the expenditure requirement in 1978-1979 was:

Fremont-Newark	3,609
Hartnell	3,918
Lake Tahoe	482
Marin	6,395
Mendocino	1,068
Palo Verde	276
Santa Clarita	1,289
West Hills	1,154
West Kern	516

The average daily attendance of those districts failing to meet the requirement in 1979-1980 was:

Barstow	983
Butte	4,649
Compton	3,224
Fremont-Newark	3,995
Lake Tahoe	503

Marin	7,216
Palo Verde	281
Santa Clarita	1,555
West Kern	574
West Valley	11,141

In 1978-1979, eight of the nine districts which failed to satisfy the 50% Law requirement had less than 5,000 in average daily attendance. In 1979-1980 eight of the ten noncomplying districts had average daily attendance of less than 5,000. These are small districts. In 1978-1979 only the Marin Community College District had higher than 5,000 in A.D.A. In 1979-1980 only the Marin and West Valley Community College Districts had higher than 5,000 in A.D.A. Each of these is a two-campus district with one small campus.

Thus, there is some factor in having a small campus which makes a district less likely to comply with the requirements of the 50% Law. However, it must be noted that while only small districts or districts with small colleges failed to comply, many small districts did comply.

FACILITY MAINTENANCE AND UTILIZATION

There is some indication that the nature and use of a district's physical facilities will affect that district's compliance with the 50% Law. The Board of Governors has adopted standards for space utilization per weekly student contact hour (See 5 California Administrative Code 57000 et seq.). A comparison of assignable space held by each of the ten districts which failed to meet the 50% Law requirement in 1979-1980 to these state standards reveals:

Comparison of District
Assignable Space to State Standards
for Assignable Space Categories
for Deficient Districts in 1979-80

District/College	Classroom[2] Space	Laboratory[2] Space	Office[2] Space	Library[2] Space
Barstow[1]	108%	116%	108%	92%
Butte[1]	144	109	79	106
Compton	176	123	140	94
Fremont-Newark				
Ohlone	121	140	121	114
Lake Tahoe	119	130	203	50
Marin				
Indian Valley	142	145	97	129
Marin	127	151	111	123
Palo Verde	360	417	101	70
Santa Clarita	226	198	181	149
West Kern	253	372	116	97
West Valley[1]				
Mission	180	101	83	107
West Valley	105	106	107	76

[1]Deficiency result of a prior year deficiency
[2]Any value 100% or greater indicates the district is in excess of State standards for that category

All districts were at least slightly above state standards for classroom and laboratory space. Three districts (Palo Verde, Santa Clarita, and West Kern) had more than twice the classroom and laboratory space deemed necessary by state standards. Two districts (Compton and Marin) had significantly more classroom and laboratory space than called for by state standards. The three districts which had classroom and laboratory space most nearly in conformance with state standards (Barstow, Butte and West Valley) failed to satisfy the 50% Law only because of a prior year deficiency.

The extent to which these findings are significant is not yet known. The extent to which all districts exceed or do not exceed state standards must be examined.

Facility maintenance costs may also be a factor. In analyzing requests for exemption in 1978-1979, the ratio of plant maintenance and operation costs to average daily attendance was computed for each of the seventy community college districts. The ratio for those districts which failed to comply with the 50% Law that year was:

Fremont-Newark	286.80
Hartnell	308.82
Lake Tahoe	187.83
Marin	247.75
Mendocino	139.67
Palo Verde	185.74
Santa Clarita	603.87
West Hills	355.78
West Kern	598.24

In only eight of the seventy community college districts did the ratio of plant maintenance and operation costs to average daily attendance exceed 300.00. Four of those failed to satisfy the 50% Law requirement. In only two districts did the ratio exceed 400.00. Both of those districts failed to satisfy the 50% Law requirement.

These costs may not be entirely within the district's control. In future years the Board of Governors will consider utility costs in the district in analyzing compliance with the 50% Law.

EXEMPTIONS FROM THE 50% LAW REQUIREMENT

Education Code Section 84362 authorizes the Board of Governors to grant a district an exemption from the requirements of the 50% Law if it finds that unless the application is granted, the district will suffer serious hardship or will have to pay salaries of classroom instructors in excess of those paid by other districts of comparable type and functioning under comparable conditions. Applications for exemption where the deficiency is less than $1,000 are granted automatically.

FOR SERIOUS HARDSHIP

Regulations of the Board of Governors define "serious hardship" as

> " . . . conditions under which conformance with the 50% requirement during the year of deficiency would have resulted in a district's inability to discharge financial liabilities."

A district is unable to discharge financial liabilities when its

> " . . . general fund ending balance, less reserves for legally required restricted funds and any contingencies for outcome of pending arbitration, litigation, or audit exceptions, is insufficient to meet the district's share of total expenditures for the first six months of the budget year . . . ."
> Title 5, California Administrative Code, Section 59204(c).

An exemption from the 50% Law requirement may also be granted on the basis of serious hardship where a district establishes a new program or other anticipated new condition. Title 5, California Administrative Code, Section 59204(c).

A district which qualifies for exemption on the basis of serious hardship is granted an exemption only for the amount necessary to make the district able to discharge its financial liabilities. Thus the Board of Governors will grant the exemption only to the extent that the difference between the budgeted expenditures and estimated income for the first six months of the year following deficiency exceeds the available balance from the year of deficiency:

$$\left[\begin{array}{c}\text{Budgeted expenditures - Estimated income} \\ \text{(for first 6 months of Year 2)}\end{array}\right] - \left[\begin{array}{c}\text{General Funding Ending} \\ \text{Balance - Reserves} \\ \text{(Year 1)}\end{array}\right]$$

This is the amount exempted. To the extent a deficiency exceeds this amount, the exemption will be denied.

FOR COMPARABLE SALARIES

To determine if a district is paying salaries in excess of those paid by comparable districts, the district's total salaries for classroom instructors, including health and welfare benefits, is divided by the district's attendance A.D.A. This is compared to the cost per A.D.A. for ten comparable districts, and, if less, the difference is multiplied by the district's A.D.A. to obtain the amount needed to bring the district up to that paid by comparable districts:

$$\left[\frac{\text{Classroom Salaries of Comparable Districts}}{\text{Attendance A.D.A. of Comparable Districts}} - \frac{\text{Classroom Salaries of Applicant District}}{\text{Attendance A.D.A. of Applicant District}}\right] \times \begin{array}{c}\text{Attendance} \\ \text{A.D.A. of} \\ \text{Applicant} \\ \text{District}\end{array}$$

This formula yields the amount <u>not</u> exempted.

Identifying comparable districts for determining if a district is paying comparable salaries for classroom instructors is extremely difficult. Each community college district is unique and functions under unique conditions.

In analyzing the requests for exemption from the 50% Law requirement in the 1978-1979 fiscal year, each of the ten factors listed in the discussion of predictability of compliance (page 14) was quantified for each of the seventy community college districts. See Table, T-5. Using a computer, each district was ranked for each factor, and summarized for each factor. In result the districts were displayed in comparability clusters. Comparable districts were then identified for districts applying for exemption. In addition, single campus districts and multi-campus districts are not comparable. Therefore, multi-campus districts were removed from the comparability cluster of a single campus district, and single campus districts were removed from the comparability cluster of multi-campus districts.

EFFECT OF AN EXEMPTION BEING DENIED

When the Board of Governors denies a district's request for an exemption in whole or in part, or if no exemption is requested, the amount not exempted is to be added to the amount to be spent for classroom instructors in the next fiscal year. In determining a district's compliance with the 50% Law in any given year, any nonexempted amount from a prior year is added to the required 50% in the succeeding fiscal year. If there is any deficiency at the end of that fiscal year--that is, if the district failed to spend the required 50% plus the prior year's nonexempted amount for classroom teachers' salaries--the district may request an exemption for the entire amount.

REQUESTS FOR EXEMPTION FOR 1978-1979

For the fiscal year 1978-1979, nine community college districts did not satisfy the 50% Law requirement. See page 16, supra. Two of the nine community college districts (Mendocino and West Hills) did not apply to the Board of Governors for an exemption.

Five districts--Fremont-Newark, Hartnell, Lake Tahoe, Santa Clarita, and West Kern--requested an exemption on the basis that application of the statute would have resulted in paying salaries of classroom instructors in excess of those paid by comparable districts. Using the formula outlined above, full exemptions were granted to the Lake Tahoe, Santa Clarita and West Kern Community College Districts; and a partial exemption was granted to the Fremont-Newark and Hartnell Community College Districts.

Two districts--Marin and Palo Verde--applied for an exemption on the basis that adherence to the 50% Law requirement would have resulted in serious hardship to the district. In neither district would the district have been unable to discharge its financial obligations had it paid 50% of its current expense of education for salaries of classroom instructors, and, therefore, both applications were denied.

Four of the seven districts were submitting a second or more consecutive request for exemption, and, therefore, were required to submit a plan specifying steps the district would take to attain compliance with the statute. As this was the first year that the requirement to submit a plan had been in effect, there was substantial variation in the sufficiency and relevance of the plans submitted. Responding to objection from Fremont-Newark's certificated employee organization to the request for exemption from that district, the Board of Governors required that district to revise its plan to obtain compliance to

include both specifically identifiable steps the district would take and quantifiable goals to be reached in its attempt to comply with the statute.

REMAINING ISSUES

ENFORCEMENT

Education Code Section 84362 states that if no application for exemption from the 50% Law requirement is made, or if the application is denied, the Board of Governors is to order the amount not exempted to be added to the amounts to be expended for salaries of classroom instructors during the next fiscal year. Controversy has arisen regarding the interpretation of this clause.

The Board of Governors has determined that in determining a district's compliance with the 50% Law, any nonexempt amount from a prior year is added to the required 50% in the fiscal year following the Board's determination. If there is any deficiency at the end of that fiscal year--that is, if the district failed to expend the required 50% plus the prior year's nonexempted amount--the district may request an exemption for the entire amount. Thus, if a district has spent only 48% for salaries of classroom instructors in Year 1, and the deficiency is not exempted in Year 2, in Year 3 the district is ordered to spend 52% for salaries of classroom instructors. However, if the district does not do so, there is no penalty, and the entire amount is subject to an application for exemption in the next fiscal year. If the district in the example again spent only 48% for classroom instructors' salaries, it could then apply for an exemption for the entire 4% deficiency. The incentive for a district to obtain compliance with the 50% Law is weak.

Another interpretation argued by some certificated employee organizations is that the amount of the deficiency should be added to the salaries of classroom instructors in the year following deficiency--that is, that the faculty should be paid a bonus.

COLLECTIVE BARGAINING

Under the Public Employment Relations Act, Government Code Section 3540, et seq., enacted in 1976, matters relating to wages, hours of employment and other terms and conditions of employment, are subject to collective bargaining when the employees choose to be represented by an exclusive representative. Faculty in fifty-four of the seventy community college districts are now using collective bargaining.

The juxtaposition of the 50% Law to the collective bargaining process is difficult for community college districts. Salaries are subject to negotiations in the collective bargaining process. A district may not raise salaries unilaterally. Thus, although a district may desire to raise faculty salaries as a means to achieving compliance with the 50% Law, it may not do so without the agreement of the exclusive representative. Failure to reach agreement over an extended period of time may result in a district's not meeting the 50% Law requirement.

When a district does reach agreement with a faculty organization after protracted negotiations, the agreement may include provision of back pay for the period when there was no agreement. If the period for which the back pay is awarded covers a previous fiscal year, the district may have already incurred a deficiency in its obligation under the 50% Law. Thus, although the district makes a back pay award for a prior fiscal year, if the district has already

incurred a deficiency for that year, the amount of the deficiency must be added to the amount to be paid classroom teachers in the succeeding fiscal year. The 50% Law obligation may then hinder a district's ability to reach a collective bargaining agreement.

CONCLUSION

In concluding this report, the Chancellor, on behalf of the Board of Governors, believes that the purposes of the 50% Law need to be considered and redefined. Although the 50% Law has generated very strong opinions, both in support and in opposition to the statute, it is not clear what purpose the 50% Law serves today.

It is clear that although the 50% Law was originally enacted to limit increases in class size, there is no relation between class size and the 50% Law today. Analysis of other factors has revealed no single factor directly related to compliance with the 50% Law by a community college district. This analysis of various factors will continue. Some factors which have shown some relation to the 50% Law will be examined in greater depth. Other factors not previously considered will be examined. Economic factors beyond the control of the community college district, such as per capita income and utility costs, will be examined. Through this process the merit of the 50% Law will be reviewed.

The Chancellor also believes that certain aspects of the 50% Law are in need of amendment. First, the statute needs a reasonable means of enforcement. The effects of the district's failure to comply should occur in the year following deficiency, and not be delayed an additional year. Secondly, the relation between the 50% Law and collective bargaining must be examined.

The Chancellor also anticipates that compliance with the 50% Law will become more difficult in the future. Increasing utility costs and general inflation, coupled with districts not receiving necessary additional funding, will work together to make spending 50% of the current expense of education for salaries of classroom instructors more and more difficult.

Finally, the Chancellor solicits comments and discussion of the issues raised in this report.

DISTRICTS NOT IN COMPLIANCE WITH THE
50% LAW (EDUCATION CODE SECTION 84362) BY FISCAL YEAR

FISCAL YEAR

District/College	Classes Started	61-62	62-63	63-64	64-65	65-66	66-67	67-68	68-69	69-70	70-71	71-72	72-73	73-74	74-75	75-76	76-77	77-78	78-79	79-80
Antelope Valley	1929		X													X	X	XPY		XPY
Barstow	1960		X	X	X	X									X	X	X	X		XPY
Butte	1968							X	X											
Cabrillo	1959	X	X																	
Cerritos	1956	X						X												
Citrus	1915		X																	
Coachella Valley			X	X	X	X	X	X												
Desert	1962						X			X							X	X		
Coast																				
Coastline	1976																			
Golden West	1966																			
Orange Coast	1948																			
Compton	1927	X								X	X	X	X	X	X	X	X	X		X
Contra Costa		X																		
Contra Costa	1950																			
Diablo Valley	1949																			
Los Medanos	1974																			
Foothill		X						X	X											
DeAnza	1967																			
Foothill	1958							X	X	X	X	X	X	X	X	X	X	X	X	X
Fremont-Newark																				
Ohlone	1967										X									
Gavilan	1919																			
Grossmont		X																		
Cuyamaca	1978																			
Grossmont	1961																		X	
Hartnell	1920						X													
Imperial					X	X														
Imperial Valley	1922																	X	X	X	X
Lake Tahoe	1975																			
Lassen	1925									X										
Los Angeles		X	X	X	X															
East LA	1945																			
LA City	1929																			
LA Harbor	1949																			
LA Metropolitan	1980																			
LA Mission	1975																			
LA Pierce	1947																			
LA Southwest	1967																			
LA Trade-Tech	1949																			
LA Valley	1949																			
West LA	1969																			
Los Rios		X																		
American River	1953																			
Cosumnes	1970																			
Sacramento City	1916																			

District/College	Classes Started	FISCAL YEAR 61-62	62-63	63-64	64-65	65-66	66-67	67-68	68-69	69-70	70-71	71-72	72-73	73-74	74-75	75-76	76-77	77-78	78-79	79-80
Marin								X								X		X	X	X
Indian Valley	1971																			
Marin	1926															X	X	X	XPY	
Mendocino	1973																			
Merced	1963			X																
Mira Costa	1934	X																		
Mt. San Antonio	1946	X	X	X																
Mt. San Jacinto	1963			X	X	X						X	X							
Palomar	1946													X						
Palo Verde	1947										X	X			X	X	X	X	X	X
Rancho Santiago		X																		
Santa Ana	1915															X				
Redwoods	1965							X												
Rio Hondo	1963		X																	
Riverside	1916	X								X										
Saddleback	1968																			
San Jose									X						X	X	X	X		
Evergreen Valley	1975																			
San Jose City	1923																			
San Luis Obispo					X	X	X	X												
Cuesta	1964																			
Santa Clarita										X	X	X		X	X	X	X	X	X	X
Canyons	69-70																			
Sequoias	1926						X													
Shasta-Te-Tri	1950½			X																
South County		X																		
Chabot Hayward	1961																			
Chabot Valley	1961																X			
State Center																				
Fresno City	1910																			
Kings River*	1926																			
Ventura							X	X												
Moorpark	1967																			
Oxnard	1975																			
Ventura	1926																			
Victor Valley	1961	X	X				X	X	X	X	X								X	
West Hills	1932		X	X	X	X	X					X	X	X						
West Kern							X	X	X	X			X	X	X	X	X	X	X	X
Taft	1922																			
West Valley				X	X									X	X	X	X	X		XPY
Mission	1976																			
West Valley	1964				X															
Yuba	1927		X	X	X	X	X		X		X									

NOTE: PY designates deficiency was the result of a prior year nonexempt deficiency.
*Formerly Reedley College

California Community Colleges
Historical Percentage of Salaries of
Classroom Instructors to Current
Expense of Education

District	Percentage by Fiscal Year					
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Allan Hancock	50.8	53.7	54.4	53.3	51.3	51.0
Antelope Valley	52.8	53.4	53.2	53.4	53.6	58.1
Barstow	48.0	43.2	49.1	51.6[A]	54.8	50.9[C]
Butte	49.6	49.7	49.9	46.4	51.2	50.2[C]
Cabrillo	52.7	53.0	51.8	54.5	53.0	55.2
Cerritos	53.0	56.7	54.8	53.1	54.2	52.0
Chaffey	52.8	53.5	53.2	52.2	54.4	55.4
Citrus	54.2	54.2	53.1	51.9	53.0	52.0
Coachella Valley	54.7	58.6	53.6	52.1	52.7	55.0
Coast	51.0	50.1	48.7	44.7	51.6	51.6
Compton	42.4	46.6	47.9	49.6	52.5	46.5
Contra Costa	55.8	56.9	56.8	56.2	54.3	54.9
El Camino	55.4	54.4	53.9	53.8	55.4	52.1
Foothill	53.8	52.2	52.9	54.0	51.5	52.7
Fremont-Newark	46.8	41.2	40.9	40.0	42.0	44.2
Gavilan	54.0	52.1	50.0	50.0	50.3	50.2
Glendale	52.9	61.2	54.7	52.5	52.6	52.5
Grossmont	56.6	54.3	57.4	50.0	51.7	52.0
Hartnell	50.3	50.3	51.2	50.1	46.9	50.6
Imperial	54.4	56.0	50.5	57.9	56.8	53.9
Kern	51.9	50.8	52.4	52.1	54.0	52.3
Lake Tahoe	--	58.5	49.4	42.7	43.1	44.0
Lassen	50.7	52.6	50.9	51.8	50.1	52.0
Long Beach	58.0	58.0	55.8	55.4	54.5	54.6
Los Angeles	51.1	50.6	51.6	52.1	52.1	53.2
Los Rios	56.3	56.3	54.2	52.8	53.2	54.5
Marin	50.2	49.7	50.8	47.8	47.5[B]	48.2
Mendocino	49.8	47.4	48.2	45.5	50.1	50.8
Merced	50.1	50.9	50.4	52.2	53.7	52.0
Mira Costa	51.7	53.8	51.5	50.3	50.1	51.2
Monterey Peninsula	55.9	53.8	53.3	53.7	55.9	54.6
Mt. San Antonio	51.4	54.5	53.4	53.2	55.4	53.9
Mt. San Jacinto	60.0	60.6	56.0	58.9	52.4	55.7
Napa	56.0	55.3	55.4	54.0	53.6	52.6
North Orange	56.6	57.1	57.2	58.8	59.6	58.3
Palomar	52.1	53.5	52.4	50.9	52.5	51.4
Palo Verde	47.2	47.8	42.8	47.7	47.2	44.7
Pasadena Area	54.9	56.8	54.1	54.3	55.3	53.1
Peralta	50.6	52.7	51.2	50.1	51.0	50.1
Rancho Santiago	54.2	54.6	52.8	51.1	53.1	54.7
Redwoods	50.3	49.7	50.0	50.2	50.9	50.3
Rio Hondo	56.5	57.6	53.5	58.8	56.1	58.6
Riverside	53.8	54.0	52.5	56.8	53.8	52.8
Saddleback	52.3	52.2	51.7	50.8	51.7	52.6
San Bernardino	53.1	53.7	53.4	55.2	52.9	53.0
San Diego	51.4	52.4	54.6	51.3	51.1	50.2
San Francisco	60.6	59.1	58.3	57.3	55.8	56.9
San Joaquin Delta	55.4	58.3	53.1	54.3	58.4	54.4
San Jose	48.4	45.6	44.7	49.5	55.2	53.9
San Luis Obispo	49.4	50.3	50.1	50.8	50.4	51.5
San Mateo	53.9	54.0	52.8	52.9	52.6	51.8
Santa Barbara	55.0	56.7	58.0	56.9	56.5	56.5
Santa Clarita	38.1	36.1	37.7	37.3	45.4	40.6
Santa Monica	51.2	51.3	50.5	50.3	51.0	51.7
Sequoias	57.9	57.6	53.3	50.0	52.9	50.9
Shasta-Te-Tr	49.7	50.2	50.4	52.5	54.4	51.8
Sierra	50.5	50.0	51.8	54.5	50.2	52.6
Siskiyou	54.0	51.2	65.5	54.6	50.9	50.4
Solano	51.1	50.9	51.5	51.3	56.1	56.0
Sonoma	50.9	52.2	53.6	55.3	56.0	55.4
South County	55.1	53.1	51.7	51.7	52.3	52.0
State Center	56.2	51.4	49.3	51.9	51.8	51.2
Sweetwater	56.4	56.0	56.3	56.5	54.8	55.8
Ventura	52.6	50.0	46.8	50.1	52.3	54.8
Victor Valley	55.3	57.9	57.3	57.3	54.9	51.6
West Hills	52.3	51.4	51.9	51.1	49.9	50.1
West Kern	47.2	49.1	45.9	44.5	42.8	45.6
West Valley	48.7	49.8	49.5	47.8	51.0	50.1[C]
Yosemite	50.7	50.1	52.2	52.6	50.2	52.3
Yuba	55.7	57.2	53.8	52.6	54.6	52.1
Statewide	53.1	53.1	52.6	52.5	53.0	53.0

A Deficiency in FY 1975-76 brought percentage below Amount Required to be Expended
B Deficiency in FY 1976-77 brought percentage below Amount Required to be Expended
C Deficiency in FY 1977-78 brought percentage below Amount Required to be Expended

SN 1/5/81

California Community Colleges
Historical Percentage of Salaries of
Classroom Instructors to Current
Expense of Education for 46 Districts*

District	Percentage by Fiscal Year					
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Antelope Valley	52.8	53.4	53.2	59.4	59.6	58.1[C]
Barstow	48.0	43.2	49.1	53.6[A]	54.8	50.9[C]
Butte	49.6	49.7	49.9	46.9	51.2	50.2[C]
Cabrillo	52.7	53.0	51.8	54.5	55.0	55.2
Cerritos	53.0	56.7	54.8	53.1	54.2	52.0
Citrus	54.2	54.2	53.1	51.9	53.0	52.0
Coachella Valley	54.7	58.6	53.6	52.1	52.7	55.0
Coast	51.0	50.1	48.7	49.7	51.6	51.6
Compton	42.4	46.6	47.9	49.6	52.5	46.5
Contra Costa	55.8	56.9	56.8	56.2	54.3	54.9
Foothill	53.8	52.2	52.9	51.0	51.3	52.7
Fremont-Newark	46.8	41.2	40.9	40.0	42.0	44.2
Gavilan	54.0	52.1	50.0	50.0	50.3	50.2
Grossmont	56.6	54.3	57.4	50.0	51.7	52.0
Hartnell	50.3	50.3	51.2	50.1	46.9	50.6
Imperial	54.4	56.0	50.5	57.9	56.8	53.9
Lake Tahoe	--	58.5	49.4	42.7	43.1	44.0
Lassen	50.7	52.6	50.9	51.8	50.1	52.0
Los Angeles	51.1	50.6	51.6	52.1	52.1	53.2
Los Rios	56.3	56.3	54.2	52.8	53.2	54.5
Marin	50.2	49.7	50.8	47.8	47.5	48.2
Mendocino	49.8	47.4	48.2	45.5	50.1[B]	50.8
Merced	50.1	50.9	50.4	52.2	53.7	52.0
Mira Costa	51.7	53.8	51.5	50.3	50.1	51.2
Mt. San Antonio	51.4	54.3	53.4	53.2	55.4	53.9
Mt. San Jacinto	60.0	60.6	56.0	58.9	52.4	55.7
Palomar	52.1	53.5	52.4	50.9	52.5	51.4
Palo Verde	47.2	47.8	42.8	47.7	47.2	44.7
Rancho Santiago	54.2	54.6	52.8	51.1	53.1	54.7
Redwoods	50.3	49.7	50.0	50.2	50.9	50.3
Rio Hondo	56.5	57.6	53.5	58.8	56.1	58.6
Riverside	53.8	54.0	52.5	56.8	53.8	52.8
Saddleback	52.3	52.2	51.7	50.8	51.7	52.6
San Jose	48.4	45.6	44.7	49.5	55.2	53.9
San Luis Obispo	49.4	50.3	50.1	50.8	50.4	51.5
Santa Clarita	38.1	36.1	37.7	37.3	45.4	40.6
Sequoias	57.9	57.6	52.3	50.0	52.9	50.9
Shasta-Te-Tr	49.7	50.2	50.4	52.5	54.4	51.8
South County	55.1	53.1	51.7	51.7	52.3	52.0
State Center	56.2	51.4	49.3	51.9	51.8	51.2
Ventura	52.6	50.0	46.8	50.1	52.3	54.8
Victor Valley	55.3	57.9	57.3	57.5	54.9	51.6
West Hills	52.3	51.4	51.9	51.1	49.9	50.1
West Kern	47.2	45.1	45.9	44.5	42.8	45.6
West Valley	48.7	49.8	49.5	47.8	51.0	50.1[C]
Yuba	55.7	57.2	53.8	52.6	54.6	52.1
Statewide	53.1	53.1	52.6	52.5	53.0	53.0

A Deficiency in FY 1975-76 brought percentage below Amount Required to be Expended
B Deficiency in FY 1976-77 brought percentage below Amount Required to be Expended
C Deficiency in FY 1977-78 brought percentage below Amount Required to be Expended

* Note: These districts failed to meet the 50% Law requirement at some time during the past 20 years.

Factor Values for All Community College Districts
Fiscal Year 1978-79

District	Att. ADA	CEE	Income	WSCH	Median	Plant Cost	P.T. Salaries	Nonmetrus	Total	Ave.
		Att. ADA	Att. ADA	FTE	Salary	Att. ADA	F.T. Salaries	CEE	Enrol.	Class
ALLAN HANCOCK	6,442	$1,366.75	$1,504.97	445	$22,785	$ 151.75	0.382861	0.082228	9,009	22.0
ANTELOPE VALLEY	3,000	1,478.56	1,476.82	456	21,418	225.09	0.163132	0.050184	5,614	23.0
BARSTOW	1,017	1,991.52	2,540.38	381	25,461	341.92	0.097224	0.000000	1,575	19.0
BUTTE	4,330	1,660.28	1,806.58	482	23,858	229.10	0.247817	0.000915	7,052	21.0
CABRILLO	6,032	1,686.67	1,602.67	497	24,182	175.04	0.182898	0.035831	9,257	23.0
CERRITOS	12,451	1,533.34	1,799.45	468	27,088	215.25	0.223487	0.008651	20,591	28.0
CHAFFEY	6,622	2,133.23	2,144.97	487	26,110	0.00*	0.114425	0.333450	11,618	22.0
CITRUS	5,178	1,639.66	1,528.77	487	25,274	200.60	0.199255	0.043275	8,775	23.0
COACHELLA VALLEY	3,743	2,075.24	2,147.37	512	25,849	359.98	0.183000	0.014444	5,901	18.0
COAST	30,575	1,475.28	1,524.57	461	25,984	142.27	0.264282	0.021501	60,563	27.8
COMPTON	3,824	1,449.25	1,819.88	389	22,605	178.79	0.371789	0.009699	5,321	18.0
CONTRA COSTA	18,041	1,754.32	1,771.91	489	26,236	214.97	0.215552	0.001992	32,305	27.0
EL CAMINO	14,466	1,503.71	1,588.96	562	26,985	200.27	0.176913	0.035890	26,105	24.0
FOOTHILL	21,286	1,571.47	1,613.06	489	26,814	141.44	0.301816	0.047266	33,730	27.5
FREMONT-NEWARK	3,707	1,983.87	1,965.73	487	22,122	286.80	0.182014	0.027468	6,703	23.0
GAVILAN	1,911	1,860.43	1,974.37	468	21,948	249.68	0.149979	0.020143	2,514	18.0
GLENDALE	5,717	1,511.49	1,469.06	367	23,800	148.00	0.275037	0.016329	9,663	22.0
GROSSMONT	9,470	1,773.74	1,855.27	444	24,016	220.17	0.274242	0.002901	16,001	25.1
HARTNELL	4,073	1,735.57	2,066.73	483	22,643	308.82	0.237634	0.077406	6,349	23.0
IMPERIAL	2,947	2,065.23	1,736.15	389	22,731	252.50	0.162133	0.000000	4,659	21.0
KERN	10,214	1,859.66	1,965.49	421	22,978	233.26	0.164215	0.024841	18,403	20.3
LAKE TAHOE	491	2,267.91	3,146.49	451	21,339	187.83	0.177651	0.000000	1,083	22.0
LASSEN	2,036	1,739.16	1,945.97	413	24,967	209.37	0.370332	0.018060	3,599	11.0
LONG BEACH	15,191	1,481.98	1,422.53	470	26,140	184.56	0.318731	0.035304	28,386	23.1
LOS ANGELES	66,749	2,053.94	2,146.28	430	26,700	287.19	0.071351	0.008275	124,524	26.9
LOS RIOS	25,420	1,555.04	1,512.44	522	26,653	173.47	0.157772	0.009107	33,707	28.3
MARIN	6,982	1,845.21	2,051.62	467	23,353	245.75	0.231326	0.025123	13,967	18.3
MENDOCINO	1,082	2,109.87	2,525.19	451	23,140	139.67	0.282725	0.021801	2,727	14.0
MERCED	5,374	1,307.73	1,435.81	443	24,173	174.36	0.200358	0.000291	8,314	21.0
MIRA COSTA	4,103	1,423.83	2,340.60	489	25,625	163.32	0.329330	0.025136	6,485	21.0
MONTEREY PENINSULA	5,213	1,460.71	1,440.54	449	24,867	169.21	0.233640	0.066678	8,211	22.0
MT. SAN ANTONIO	11,008	1,770.88	1,805.59	501	25,890	212.54	0.177740	0.013348	19,828	24.0
MT. SAN JACINTO	1,327	1,842.51	2,178.61	436	21,187	264.01	0.174841	0.005260	2,545	15.3
NAPA	4,291	1,529.91	1,480.95	416	24,411	162.14	0.351888	0.015507	5,814	21.3
NORTH ORANGE	23,157	1,490.83	1,623.88	461	27,180	185.75	0.245533	0.064420	42,417	25.9
PALOMAR	9,609	1,486.40	1,490.91	489	24,338	166.80	0.201754	0.043558	14,373	23.0
PALO VERDE	304	2,304.75	2,615.45	389	14,177	185.74	0.077529	0.021119	489	17.0
PASADENA AREA	13,634	1,705.24	1,645.51	487	25,701	222.12	0.221354	0.062716	20,856	26.0
PERALTA	18,612	1,805.51	1,657.05	478	25,145	203.35	0.247560	0.019581	30,758	28.2
RANCHO SANTIAGO	12,513	1,424.08	1,544.51	658	23,767	143.54	0.320684	0.004974	26,246	26.0
REDWOODS	4,293	1,754.53	1,924.84	400	24,470	200.90	0.259822	0.008130	8,160	19.0
RIO HONDO	7,755	1,451.06	1,382.29	504	23,907	171.42	0.150088	0.067928	11,847	26.0
RIVERSIDE	7,700	1,564.74	1,471.93	493	24,539	187.19	0.296344	0.034856	13,679	25.0
SADDLEBACK	9,650	1,509.69	2,028.39	487	25,027	165.34	0.373238	0.064805	20,519	27.0
SAN BERNARDINO	10,242	1,537.14	1,606.08	438	23,390	206.29	0.183310	0.019323	17,827	21.5
SAN DIEGO	31,081	1,354.13	1,296.62	427	21,600	147.34	0.442718	0.022476	55,484	21.8
SAN FRANCISCO	25,546	1,317.45	1,407.34	474	22,284	182.82	0.248433	0.016586	56,892	26.0
SAN JOAQUIN	10,042	1,437.69	1,522.36	398	27,721	210.70	0.187640	0.028715	16,092	24.0
SAN JOSE	9,618	2,058.66	2,230.77	489	26,834	183.66	0.200434	0.007184	18,835	25.3
SAN LUIS OBISPO	3,055	1,782.87	1,822.20	389	24,498	313.30	0.210203	0.000794	4,567	23.0
SAN MATEO	16,122	1,749.71	1,799.50	457	25,012	186.17	0.175399	0.030737	30,425	25.3
SANTA BARBARA	7,522	1,358.06	1,465.56	528	25,296	135.05	0.222366	0.011609	14,438	25.0
SANTA CLARITA	1,339	2,596.84	2,495.25	491	24,440	603.87	0.217317	0.000000	2,530	24.0
SANTA MONICA	9,972	1,421.06	997.18	487	26,027	193.54	0.272045	0.026023	19,132	29.0
SEQUOIAS	4,565	1,593.43	1,785.47	454	23,550	207.29	0.153472	0.011469	7,122	25.0
SHASTA	5,299	1,585.19	1,517.64	495	25,134	200.61	0.180557	0.004201	9,634	27.0
SIERRA	4,261	1,949.55	2,134.18	462	24,957	212.92	0.006638	0.063389	7,000	13.0
SISKIYOU	1,402	2,024.76	1,896.30	454	25,353	343.20	0.009964	0.018977	1,933	13.0
SOLANO	5,206	1,482.81	1,470.19	399	23,366	151.72	0.217551	0.001487	8,601	22.0
SONOMA	10,917	1,321.37	1,471.91	489	25,341	92.44	0.327202	0.048387	18,152	23.0
SOUTH COUNTY	9,574	1,562.25	1,675.48	473	25,939	162.89	0.201777	0.046589	17,102	25.0
STATE CENTER	11,156	1,599.86	1,757.44	493	24,251	166.68	0.123322	0.014436	17,670	25.4
SWEETWATER	7,209	1,442.65	1,406.90	497	24,136	134.25	0.163615	0.039739	10,590	24.0
VENTURA	15,148	1,603.47	1,748.90	463	24,152	192.94	0.258610	0.014847	27,040	19.9
VICTOR VALLEY	1,918	1,895.27	2,310.77	490	25,386	285.10	0.122364	0.005215	3,623	18.0
WEST HILLS	1,207	2,605.20	3,609.85	451	25,357	355.78	0.153570	0.019504	1,830	16.0
WEST KERN	622	3,657.65	5,270.23	225	25,510	598.24	0.251466	0.020018	1,058	8.0
WEST VALLEY	10,806	1,610.84	2,126.83	500	25,355	156.99	0.308013	0.033937	19,440	27.5
YOSEMITE	8,611	1,735.50	2,013.14	475	25,848	0.00*	0.121458	0.332581	12,283	24.7
YUBA	4,526	1,622.19	2,346.80	574	24,171	194.70	0.140524	0.018946	6,850	24.0

*Did not report

California Community Colleges
Apportionment ADA for All
Districts by College

District/College	Classes Started	Fiscal Year 1977-78	1978-79	1979-80
Allan Hancock	1920	6,905	6,168	6,156
Antelope Valley	1929	3,622	2,959	3,265
Barstow	1960	1,037	964	983
Butte	1968	5,178	4,259	4,649
Cabrillo	1959	6,492	5,730	5,952
Cerritos	1956	13,517	12,480	12,549
Chaffey	1883	9,198	6,483	7,277
Citrus	1915	5,814	5,054	5,230
Coachella Valley		4,332	3,579	3,687
College of the Desert	1962	*4,332*	*3,579*	*3,687*
Coast		30,977	29,618	30,432
Coastline	1976	*5,122*	*4,767*	*5,213*
Golden West	1966	*10,396*	*9,877*	*10,573*
Orange Coast	1948	*15,459*	*14,974*	*14,646*
Compton	1927	4,233	3,265	3,224
Contra Costa		19,512	17,745	18,404
Contra Costa	1950	*5,310*	*4,650*	*4,953*
Diablo Valley	1949	*10,861*	*10,147*	*10,356*
Los Medanos	1974	*3,341*	*2,938*	*3,095*
El Camino	1946	14,777	14,082	13,577
Foothill		24,117	20,685	20,566
DeAnza	1967	*13,665*	*11,773*	*12,150*
Foothill	1958	*10,452*	*8,912*	*8,416*
Fremont-Newark		4,195	3,609	3,995
Ohlone	1967	*4,195*	*3,609*	*3,995*
Gavilan	1919	2,078	1,864	1,941
Glendale	1927	6,172	5,255	6,276
Grossmont		9,961	9,216	8,528
Cuyamaca	1978	*N/A*	*806*	*980*
Grossmont	1961	*9,961*	*8,410*	*7,548*
Hartnell	1920	4,462	3,918	4,052
Imperial		2,925	2,841	2,857
Imperial Valley	1922	*2,925*	*2,841*	*2,857*
Kern		10,770	9,899	10,030
Bakersfield	1913	*7,196*	*6,627*	*6,627*
Cerro Coso	1973	*1,440*	*1,263*	*1,383*
Porterville	1927	*2,134*	*2,009*	*2,020*
Lake Tahoe	1975	568	482	503
Lassen	1925	2,064	1,859	2,077
Long Beach	1927	16,239	14,794	14,293
Los Angeles		73,576	65,711	69,713
East LA	1945	*8,911*	*8,026*	*8,750*
LA City	1929	*11,992*	*10,611*	*10,954*
LA Harbor	1949	*6,741*	*6,140*	*6,561*
LA Instructional TV*		*539*	*337*	*607*
LA Mission	1975	*1,304*	*1,054*	*1,069*
LA Pierce	1947	*12,250*	*10,887*	*11,600*
LA Southwest	1967	*3,759*	*3,400*	*3,932*
LA Trade-Technical	1949	*11,056*	*10,372*	*10,805*
LA Valley	1949	*11,367*	*10,360*	*10,357*
West LA	1969	*4,668*	*4,525*	*5,078*

California Community Colleges
Apportionment ADA for All
Districts by College

District/College	Classes Started	Fiscal Year 1977-78	1978-79	1979-80
Los Rios		27,051	24,709	24,730
American River	1955	13,467	12,541	12,668
Cosumnes	1970	3,250	2,944	2,985
Sacramento City	1916	10,334	9,224	9,077
Marin		7,283	6,395	7,216
Indian Valley	1971	1,798	1,721	1,792
Marin	1926	5,485	4,674	5,424
Mendocino	1973	1,162	1,068	1,264
Merced	1963	5,755	5,072	5,336
Mira Costa	1934	3,864	3,888	4,120
Monterey Peninsula	1947	5,661	4,929	4,843
Mt. San Antonio	1946	12,263	10,795	12,391
Mt. San Jacinto	1963	1,381	1,280	1,374
Napa	1942	4,638	4,099	4,523
North Orange		26,765	21,746	23,423
Adult Education	N/A	6,476	2,971	5,298
Cypress	1966	7,922	7,680	7,365
Fullerton	1913	12,367	11,095	10,760
Palomar	1946	9,560	9,168	9,783
Palo Verde	1947	326	276	281
Pasadena Area	1924	15,480	12,837	13,503
Peralta		20,601	18,327	18,245
Alameda	1968	4,848	4,290	4,193
Feather River	1968	677	512	536
Laney	1953	8,486	7,302	6,446
Merritt	1953	6,060	5,435	5,547
Vista	1974	530	788	1,523
Rancho Santiago		12,090	12,048	13,222
Santa Ana	1915	12,090	12,048	13,222
Redwoods	1965	5,076	4,223	4,699
Rio Hondo	1963	8,184	7,468	7,571
Riverside	1916	8,182	7,403	7,752
Saddleback	1968	8,070	9,457	11,028
San Bernardino		11,859	10,043	10,860
Crafton Hills	1972	1,930	1,809	2,070
San Bernardino	1926	9,929	8,234	8,790
San Diego		33,137	29,670	31,977
San Diego City	1914	4,766	4,322	4,149
San Diego (Evening)	1914	20,279	17,675	19,783
San Diego Mesa	1963	7,118	6,547	6,595
San Diego Miramar	1969	974	1,126	1,450
San Francisco	1935	28,983	23,519	27,458
San Joaquin Delta	1923	10,802	9,512	10,037
San Jose		10,528	9,323	10,096
Evergreen Valley	1975	3,250	3,070	3,436
San Jose City	1923	7,278	6,253	6,660
San Luis Obispo		3,215	2,940	3,062
Cuesta	1964	3,215	2,940	3,062
San Mateo		17,882	15,591	16,199
Canada	1968	4,374	3,642	3,803
San Mateo	1922	8,914	7,818	8,241
Skyline	1969	4,594	4,131	4,155

California Community Colleges
Apportionment ADA for All
Districts by College

District/College	Classes Started	Fiscal Year 1977-78	1978-79	1979-80
Santa Barbara	1908	8,502	6,674	7,697
Santa Clarita		1,592	1,289	1,555
College of the Canyons	1969-70	*1,592*	*1,289*	*1,555*
Santa Monica	1929	11,258	9,054	9,979
Sequoias	1926	4,848	4,476	4,766
Shasta-Te-Tr	1950	5,640	5,231	5,314
Sierra	1936	5,507	4,174	4,789
Siskiyou	1957	1,451	1,299	1,423
Solano	1945	5,889	5,068	5,027
Sonoma		11,207	10,683	11,406
Santa Rosa	1918	*11,207*	*10,683*	*11,406*
South County		9,825	9,419	9,390
Chabot Hayward	1961	*8,165*	*7,823*	*7,693*
Chabot Valley	1961	*1,660*	*1,596*	*1,697*
State Center		12,374	10,869	11,139
Fresno City	1910	*9,903*	*8,701*	*8,789*
Reedley	1926	*2,471*	*2,168*	*2,350*
Sweetwater		8,100	6,912	7,016
Southwestern	1961	*8,100*	*6,912*	*7,016*
Ventura		16,995	14,976	15,897
Moorpark	1967	*5,773*	*4,782*	*4,910*
Oxnard	1975	*2,566*	*2,471*	*2,774*
Ventura	1926	*8,656*	*7,723*	*8,213*
Victor Valley	1961	2,346	1,828	2,075
West Hills	1932	1,348	1,154	1,191
West Kern		532	516	574
Taft	1922	*532*	*516*	*574*
West Valley		11,544	10,418	11,141
Mission	1976	*N/A*	*1,603*	*2,693*
West Valley	1964	*11,544*	*8,815*	*8,448*
Yosemite		10,502	8,339	9,254
Columbia	1968	*1,705*	*1,410*	*1,565*
Modesto	1921	*8,797*	*6,929*	*7,689*
Yuba	1927	5,490	4,412	5,274

*ADA reported separately by district

84362. For purposes of this section:

(a) "Salaries of classroom instructors" and "instructor" shall have the same meanings as prescribed by Section 84031 provided, however, that the cost of all health and welfare benefits provided to the instructors by the community college district shall be included within the meaning of salaries of classroom instructors.

(b) "Current expense of education" means the gross total expended (not reduced by estimated income or estimated federal and state apportionments) for the purposes classified in the final budget of a district (except one which, during the preceding fiscal year, had less than 101 units of average daily attendance) submitted to and approved by the county superintendent of schools pursuant to Section 85023 for certificated salaries other than certificated salaries for student transportation, food services, and community services; classified salaries other than classified salaries for student transportation, food services, and community services; employee benefits other than employee benefits for student transportation personnel, food services personnel, and community services personnel; books, supplies, and equipment replacement other than for student transportation and food services; and community services, contracted services, and other operating expenses other than for student transportation, food services, and community services. "Current expense of education," for purposes of this section shall not include those expenditures classified as sites, buildings, books, and media and new equipment (object of expenditure 6000 of the Accounting Manual for California Community Colleges), the amount expended from categorical aid received from the federal or state government which funds were granted for expenditures in a program not incurring any instructor salary expenditures or requiring disbursement of the funds without regard to the requirements of this section, or expenditures for facility acquisition and construction; and shall not include the amount expended pursuant to any lease agreement for plant and equipment or the amount expended from funds received from the federal government pursuant to the "Economic Opportunity Act of 1964" or any extension of such act of Congress or the amount expended by a community college from state or federal funds received by the community college for grants to community college students or for the employment of community college students.

There shall be expended during each fiscal year for payment of salaries of classroom instructors by a community college district, fifty percent (50%) of the district's current expense of education.

If the board of governors determines that a district has not expended the applicable percentage of current expense of education for the payment of salaries of classroom instructors during the preceding fiscal year, the board shall, in apportionments made to the district from the State School Fund after April 15 of the current fiscal year, designate an amount of such apportionment or apportionments equal to the apparent deficiency in district expenditures. Any amount so designated by the board of governors shall be deposited in the county treasury to the credit of the community college district, but shall be unavailable for expenditure by the district pending the determination to be made by the board of governors on any application for exemption which may be submitted to the board of governors. In the event it appears to the governing board of a community college district that the application of the

preceding paragraphs of this section during a fiscal year results in serious hardship to the district or in the payment of salaries of classroom instructors in excess of the salaries of classroom instructors paid by other districts of comparable type and functioning under comparable conditions, the governing board may, with the written approval of the county superintendent of schools having jurisdiction over the district apply to the board of governors in writing not later than September 15th of the immediately succeeding fiscal year for exemption from the requirements of the preceding paragraphs of this section.

Immediately upon applying for such exemption, the governing board shall provide the exclusive representative of the district's certificated employees or, if none exists, the district or college academic senate, and all certificated employee organizations eligible for payroll dues deduction, with a copy of such application. The exclusive representative, or the district or college academic senate, and all certificated employee organizations eligible for payroll dues deduction, within 30 days of its receipt of such application, may transmit to the board of governors a written statement of opposing such application, setting forth reasons for its opposition. Upon receipt of such application, duly approved, and of such statement of opposition, if any, the board of governors shall grant the district exemption for any amount that is less than one thousand dollars ($1,000). If the amount is one thousand dollars ($1,000), or more, the board of governors may grant the district exemption from such requirements for the fiscal year for which the application is made if a majority of all the members of the board of governors finds, in writing, that the district will in fact suffer serious hardship or will have to pay salaries of classroom instructors in excess of those paid by other districts of comparable type and functioning under comparable conditions unless the district is granted an exemption. If such exemption is granted, the designated moneys shall be immediately available for expenditure by the community college district governing board. If no application for exemption is made or exemption is denied, the board of governors shall order the designated amount or amount not exempted to be added to the amounts to be expended for salaries of classroom teachers during the next fiscal year.

The board of governors shall enforce the requirements prescribed by this section, and may adopt necessary rules and regulations to that end. It may require the submission during the school year, by community college district governing boards and county superintendents of schools, of such reports and information as may be necessary to carry out the provisions of this section.

1. Chapter 126, Statutes of 1851:

The first act entitled, "An Act concerning Common Schools and Public Instruction," required the Superintendent of Public Instruction to apportion the net increase in the State School Fund, after deducting expenses, to those school districts who had employed a teacher for at least three months each year and had raised, by taxation or otherwise, a sum equal to at least half the amount of the district's share of the State School Fund. The Act further provided that:

> "Not less than 60 percent of the amount paid each district shall be expended in teachers' wages, the balance may, at the discretion of the district, be expended in building or repairing schoolhouses, purchasing a library or apparatus, or for the support of a high school."

2. Chapter 53, Statutes of 1852:

The 1851 Act was superseded by "An Act to establish a System of Common Schools." This Act already made the disbursement of funds to school districts a complex matter, depending on the source of the funds. For example, the Act provided:

> "The School Moneys distributed to the various counties of this State from the State School Fund, shall not be issued for any other purpose than the payment of the salaries of qualified teachers under this Act . . . ."

Concerning local taxes, the Act provided:

> "Not less than fifty per cent of the School Fund raised by County Tax and paid into the County Treasury, shall be paid for any other purpose than the payment of qualified teachers; and the residue of the moneys distributed to the several districts. From the County School Fund may be appropriated, for the purchase of a District School Library, to build a District School House, or such other contingent expenses of the school, as the School Commissioners of each district shall determine."

3. Chapter 185, Statutes of 1855:

The 1852 Act was repealed in 1855, when "An Act to establish, support and regulate Common Schools, and to repeal former Acts concerning the same," was passed. Section 27 of that Act provided the same as the 1852 Act--that no part of the State School Fund was to be used for any other purpose than the payment of qualified teachers. Section 28 provided how the County School Fund was to be raised, and Section 30 provided:

> "The School Trustees or Board of Education of each city, town and district, may use the moneys from the county school fund to purchase, build or rent school houses; to purchase libraries; and to pay teachers or contingent expenses, as they may deem proper."

4. Chapter 159, Statutes of 1863:

In 1863 the Legislature again repealed existing school laws and enacted a more comprehensive school law. The provisions concerning the amount of moneys required to be used for the payment of teachers' salaries were practically identical to those of the 1855 Act.

5. Chapter 342, Statutes of 1866:

In 1866 the public school system was further expanded by "An Act to provide for a system of Common Schools." The Act provided, in Section 50:

> "Any Board of Trustees may use the county school moneys for any of the purposes authorized by this Act; but all State school moneys, except in those cities where it has otherwise been expressly provided by special law, shall be used exclusively for the payment of teachers, excepting the ten percent reserved for district school library purposes."

The Act also provided, in Section 104, that the State School Fund, except as otherwise provided by the Act, shall be used for no other purpose than the payment of teachers legally qualified and employed under the provisions of the Act.

6. Chapter 556, Statutes of 1870:

The 1866 Act was amended in 1870. Section 50 of the 1870 Act read almost identical to Section 50 of the 1866 Act. Section 95 of the 1870 Act read the same as Section 104 of the 1866 Act regarding the use of the State School Fund. In 1872, Section 95 of the 1870 Act was amended, but only to allow the Trustees of Grant School District, Sacramento County, to expend specified monies to repair and rebuild the district school house.

7. Chapter 350, Statutes of 1872:

On March 12, 1872, the Legislature approved the Political Code. On March 22, 1872, the Legislature approved "An Act to put into effect certain parts of the Codes and provide for their publication." This primarily dealt with the revenue laws of the Political Code. Section 2 of the 1872 Political Code provided that the Code took effect on January 1, 1873, at noon. Section 1861 provided:

> "The State School Fund, excepting as otherwise provided in this chapter, must be used for no other purpose than the payment of teachers."

Section 1622 was reminiscent of the earlier acts regarding county and state funds; it provided:

> "Boards of Trustees may use the county school moneys for any of the purposes authorized by this chapter; but all State School moneys, except in those cities where it has otherwise been expressly provided by special law, must, except the ten per cent reserved for district school library purposes, be used exclusively for the payment of teachers."

8. Chapter 44, Statutes of 1880:

In 1880 these sections of the Political Code were amended. Sections 1622 and 1861 were amended to require that all state school moneys be used for the payment of teachers of primary and grammar schools.

9. Chapter 193, Statutes of 1893:

Section 1861 was amended again to require that all of the State School Fund be used for no other purpose than the payment of the salaries of teachers of primary and grammar schools.

10. Chapter 86, Statutes of 1907:

Section 1622 was amended to require that 100% of the State School Fund and 60% of the county school money be used for no other purpose than the payment of the teachers' salaries of the primary and grammar schools.

11. Chapter 404, Statutes of 1909:

Section 1622(a) was added to the Political Code in 1909 to provide that if the apportionment of moneys set up in Section 1622 were insufficient to pay teachers' salaries or school expenses, then county surplus could be used, as long as there was no lessening of the amount set aside by Section 1622 for teachers' salaries.

12. Chapter 91, Statutes of 1913:

Section 1622 was amended in 1913 to require that 50 percent of the county school money be used to pay teachers' salaries of the elementary schools and that any city superintendent of public schools or supervising principal of public schools who holds a teacher's certificate could be paid out of the fund used for the payment of teachers' salaries.

13. Chapter 595, Statutes of 1921:

Section 1622 was amended again in 1921 to require, again, that 60 percent of the county school money and 100 percent of the state school money be used to pay teachers' salaries of elementary schools.

14. Statutes of 1929:

The School Code was enacted in 1929, and picked up the provisions of the Political Code Sections 1622 and 1861, which were repealed. Political Code Section 1861 became School Code Section 4.20, and Political Code Section 1622 became School Code Sections 4.702, 4.703, 4.704. Section 4.703 read:

> "All the state school money and not less than 60 percent of the county school money shall be applied exclusively to the payment of teachers' salaries of the elementary schools."

These provisions of the School Code remained unchanged until amendments to the enactment of the Education Code in 1943.

15. Chapter 401, Statutes of 1947:

The amendments in 1947 were a result of the adoption of an initiative measure in November, 1946, relating to average daily attendance. Specifically, the amendment created Section 6703 of the Education Code, which required school districts to expend a specified amount of all moneys, no less than 85%, apportioned from the State School Fund, rather than all state money and 60% of county school money, for payment of salaries of "persons employed by the district in positions requiring certification qualifications", rather than "teachers' salaries of elementary schools," as the School Code had read.

16. Chapter 1017, Statutes of 1949:
Chapter 228, Statutes of 1951 (Third Extra Session, 1950)

Amendments in 1949 and 1951 dealt with exemptions from the 85% requirement and who could grant such exemptions.

17. Chapter 1510, Statutes of 1953:

In 1953 another amendment put into effect that if the 85% was not expended and the district did not get an exemption, then the county superintendent could either add the unexpended amount from that fiscal year to the 85% for the next fiscal year, or transfer 80% of the unexpended 85% to the county school service fund.

18. Chapter 994, Statutes of 1955:

Amendments in 1955 changed the percentage and where it came from. In 1955 revisions required districts to spend 65% of the foundation program of the district for the current fiscal year, plus 65% of the apportionment

for growth during the preceding fiscal year for certificated employees salaries and interdistrict tuition.

19. Chapter 1073, Statutes of 1957:

Further amendments in 1957 (only operative until July 1, 1959) required expenditure of 65% of the foundation program, plus 65% of the apportionment for growth or 65% of the basic and equalization aid apportionment plus such amount as would be raised by the levy of the maximum tax rate of the district if that amount is less than the amount of the foundation program of the district.

20. Chapter 2, Statutes of 1959:

In 1959 the Education Code was revised, and old Section 6703 became revised Sections 17503 and 17503.1, and these sections were even further revised in 1959 before the Legislature convened (Chapter 1251, Sec. 124, Statutes of 1959). These amendments required different ways to figure apportionments for elementary districts with less than 101 A.D.A. versus those with more than 101 A.D.A., and for high school districts with less than 267 A.D.A. versus those with more than 267 A.D.A., and for junior college districts.

21. Chapter 2194, Statutes of 1961:

The 1961 amendments made some major changes by repealing Section 17503 and adding a new Section 17503, which required to be expended during each fiscal year for payment of salaries of classroom teachers (a change there--no "certificated" language), 60% by an elementary school district, 50% by high school and junior college districts, and 55% by unified school districts,

of their current expense of education (which was defined in the new statute).

22. Chapter 1766, Statutes of 1963:

Amendments provided that those school districts with less than 101 units of average daily attendance in the preceding fiscal year are not subject to definition of current expense of education as defined. Amendments also directed the Superintendent of Public Instruction to grant an automatic exemption where the deficiency was less than $1000.

23. Chapter 1008, Statutes of 1965:

Amended definition of "current expense of education" to exclude the amount expended pursuant to any lease agreement for plant and equipment or the amount expended from funds received from the federal government pursuant to the Economic Opportunity Act of 1964.

24. Chapter 1518, Statutes of 1969:

Amended the definition of "salaries of classroom instructors" to include all health and welfare benefits provided to teachers by the school district.

25. Chapter 102, Statutes of 1970:

References to junior colleges were changed to Community Colleges.

26. Chapter 519, Statutes of 1971:

"Current expense of education" amended to include expenditures related to health services. Amendments also made a technical change in that "school plant (including operation and maintenance)" was changed to "operation of plant, maintenance of plant."

27. Chapter 255, Statutes of 1972:

"Current expense of education" amended to exclude the amount expended by a Community College from state or federal funds received by the Community College for grants to Community College students or for the employment of Community College students.

28. Chapter 125, Statutes of 1975:

Definition of "current expense of education" rewritten as follows:

> (b) "Current expense of education" means expenditures for certificated salaries other than certificated salaries for pupil transportation, food services, and community services; classified salaries other than classified salaries for pupil transportation, food services, and community services; employee benefits other than employee benefits for pupil transportation personnel, food services personnel, and community services personnel; books, supplies, and equipment replacement other than for pupil transportation and food services; and community services, contracted services, and other operating expenses other than for pupil transportation, food services, and community services. "Current expense of education," for purposes of this section shall not include expenditures classified as sites, buildings, books, and media and new equipment (object of expenditure 6000 of the California School Accounting Manual) or expenditures for facility acquisition and construction.

29. Chapter 1012 Statutes of 1976:

Existing 50% Law (Education Code 17503) moved into Section 84362 of the Reorganized Code. No substantive change.

30. Chapter 1025, Statutes of 1976:

Definition of "current expense of education" rewritten as follows:

(b) "Current expense of education" means the gross total expended (not reduced by estimated income or estimated federal and state apportionments) for the purposes classified in the final budget of a school district (except one which, during the preceding fiscal year, had less than 101 units of average daily attendance) submitted to and approved by the county superintendent of schools pursuant to Section 20607 of this code for certificated salaries other than certificated salaries for pupil transportation, food services, and community services; classified salaries other than classified salaries for pupil transportation, food services, and community services; employee benefits other than employee benefits for pupil transportation personnel, food services personnel, and community services personnel; books, supplies, and equipment replacement other than for pupil transportation and food services; and community services, contracted services, and other operating expenses other than for pupil transportation, food services, and community services. "Current expense of education," for purposes of this section shall not include those expenditures classified as sites, buildings, books, and media and new equipment (object of expenditure 6000 of the California School Accounting Manual), the amount expended from categorical aid received from the federal or state government which funds were granted for expenditures in a program not incurring any teacher salary expenditures or requiring disbursement of the funds without regard to the requirements of this section, or expenditures for facility acquisition and construction; and shall not include the amount expended pursuant to any lease agreement for plant and equipment or the amount expended from funds received from the federal government pursuant to the "Economic Opportunity Act of 1964" or any

extension of such act of Congress or the amount expended by a community college from state or federal funds received by the community college for grants to community college students or for the employment of community college students.

APPENDIX A

Title 5 Regulations for Administration of the "50% Law"

59204. Definitions.

(a) Salaries of classroom instructors as prescribed in Education Code Section 84031 means (1) that portion of salaries paid for purposes of instruction of students by full-time and part-time instructors employed by a district and (2) all salaries paid to instructional aides employed by the district and under the supervision of district employed instructors.

In addition, salaries of classroom instructors shall include the cost of all benefits provided all instructors and instructional aides (Object of Expenditure Code 3000 as defined in the Community College Budget and Accounting Manual).

(b) Current expense of education (CEE) shall include Object of Expenditures 1000 through 5000 for Activities Codes 0100 through 6700 as defined in the Community College Budget and Accounting Manual less expenditures for both Activity Code 64XX (Student Transportation) and expenditures:

(1) Categorical aid received from the federal or state government for expenditure in a program not incurring any instructor salary expenditures.

(2) Categorical aid received from the federal or state government requiring disbursement of the funds without regard to the requirement of Section 84362.

(3) Funds for lease agreements for plant and equipment.

(4) Funds received from the federal government pursuant to the "Economic Opportunity Act of 1964."

(5) State or federal funds received for grants to community college students or for the employment of community college students.

(c) Serious hardship shall mean conditions under which conformance with the 50% requirement during the year of deficiency would have resulted in a district's inability to discharge financial liabilities.

The district's inability to discharge financial liabilities shall mean general fund ending balance, less reserves for legally required restricted funds and any contingencies for outcome of pending arbitration, litigation, or audit exceptions, is insufficient to meet the district's share of total expenditures for the first six months of the budget year based on prior three years' actual expenditure patterns. Additionally, consideration under hardship may be given to first-time program or other expenditures resulting from anticipated new conditions.

For the purposes of determining serious hardship pursuant to Education Code Section 84362(b) only, expenditures for Activities 61XX (Museums and Galleries), 6200, 6400, 6500, 6600, and 6700 as defined by the California Community College Budget and Accounting Manual shall be limited to the prior year's expenditures, plus an amount equal to the percent increase in the index of "Government Purchase of Goods and Services-State and Local" determined by the Department of Finance for the year in which the deficiency occurs. Any expenditures for

these activities above this dollar limit shall be added to the amount of general fund balance determined in the paragraph above. However, in evaluating serious hardship, consideration may be given by the Chancellor to appropriately certified unanticipated and unbudgeted expenditures, such as, but not limited to, expenditures resulting from arbitration or litigation, replacement or repair of utility services, an abnormal increase in the cost of energy, insurance, or security, or a cost increase mandated by state or federal law.

(d) Attendance ADA means the units of average daily attendance accrued by the district during the fiscal year as a result of the attendance of all students as reported on form CCAF-320.

(e) Community College districts of comparable type functioning under comparable conditions are deemed to be any which have met the 50% salary requirement for the year in question and are similar to the filing district in such factors as: geographical location, urban-suburban-rural setting, multiple-single campus organization, ADA size, relative wealth, median instructors' salary, instructors' placement on salary schedule, salary schedule mid-point, ration of full-time instructors' WSCH to total WSCH, CEE per ADA, student WSCH per instructor WSCH, and plant maintenance costs per ADA.

(f) Payment of comparable salaries of classroom instructors will be deemed to exist when a district's expenditure for salaries of classroom instructors, divided by attendance ADA, equals or exceeds the same aggregated data for districts functioning under comparable conditions.

59206. Procedures.

The following procedures will be used for administering the provisions of Education Code Section 84362(b).

(a) After the conclusion of each fiscal year, each district shall determine if 50% of current expense of education (CEE) was expended for the payment of salaries of classroom instructors plus any prior year deficiency ordered to be expended in addition.

(b) In the event a district has not expended the required amount and it appears to its governing board that such expenditure would have resulted in serious hardship to the district during the year of deficiency or in the payment of excessive salaries to classroom instructors, it may, with the written approval of the county superintendent of schools having jurisdiction over the district, apply to the Chancellor's Office in a form and manner to be determined by the Chancellor not later than September 15 following the year of deficiency for exemption from the requirements of Education Code Section 84362.

(c) The district applying for exemption shall immediately provide the exclusive representative of the district's certificated employees or, if none exists, the district or college academic senate, and all certificated employee organizations eligible for payroll dues deductions with a copy of such application. Such certificated employee organizations may, within 30 days of receipt of the district's application, transmit to the Board of Governors a written statement opposing such application.

(d) The governing board of the district applying for exemption shall, after receipt of the audit report submitted to the district pursuant to Education Code Section 84040, and not later than February 1 of the succeeding fiscal year, which date may be extended for two weeks of the Chancellor in writing, hold a public hearing to determine the basis for the district's application for exemption. This public hearing shall be held during a meeting of the district governing board and shall be noticed as a separate item on the agenda for the meeting as required by Education Code Section 72121 except that the notice required must be given at least 10 days prior to the meeting. The governing board shall consider the findings of the audit report submitted pursuant to Education Code Section 84040 and shall give a reasonable opportunity to be heard to interested parties. The governing board shall then determine whether expenditure of the required amount would have resulted in serious hardship to the district or in the payment of salaries of classroom instructors in excess of the salaries of classroom instructors paid by other districts of comparable type and functioning under comparable conditions.

The district shall then, not later than February 1, or if the Chancellor has granted the district an extension, not later than February 15, transmit the findings of the governing board to the Chancellor in a form and manner to be determined by the Chancellor.

Failure to comply with the provisions of this subsection shall void the district's application for exemption.

(e) Within two weeks of the public hearing or by the date the district is required to transmit its findings to the Chancellor, whichever is later, the certificated employee organizations required to be notified pursuant to Section 59206(c) may submit an additional written statement opposing the application to the Chancellor.

Failure to submit this written statement shall preclude the faculty organization making any further argument to the Board of Governors.

(f) The Chancellor shall annually determine the actual percentage of current expense of education expended for salaries of classroom instructors during the preceding fiscal year for each district from information submitted on the "Annual Financial and Budget Report, CCAF 311," and from information reported in the annual audit reports required by Education Code Section 84040.

(g) The Chancellor's Office shall analyze each application for exemption together with statements of opposition submitted by the certificated employee organizations and the report of the audit reports submitted pursuant to Education Code Section 84362 to determine compliance with Education Code Section 84362.

(h) If a district failed to file an application for exemption in the manner required by these regulations, the Chancellor shall designate an amount from the state apportionments made after April 15, equal to the deficiency to be deposited in the county treasury and credited to the district. Such monies shall not be available for expenditure by the district until next fiscal year. The Chancellor also shall instruct the district to add the designated amount to the amounts to be expended for salaries of classroom instructors during the next succeeding fiscal year.

(i) If the district filed an application for an exemption as required by these regulations of an amount less than $1,000, the Chancellor shall grant the exemption.

(j) If the district filed for an exemption as required by these regulations the Chancellor shall recommend one of the following actions to the Board of Governors.

(1) that the Board deny the application

(2) that the Board grant the application

(3) that the Board grant the application in part

The Chancellor shall forward a copy of his recommendations to the district and the certificated employee organizations required to be notified pursuant to Section 59206(c) together with the factual basis for that determination.

(k) The Board of Governors shall, no later than May 1, receive the Chancellor's recommendations. The Board of Governors shall determine whether the facts presented by the Chancellor established that application of the 50% salary requirement would have resulted in serious hardship or in expenditures for salaries of classroom instructors in excess of that paid by comparable districts. The Board shall then deny, grant, or grant in part the district's application.

Exemption shall be granted only to the limit of the deficiency in an amount equal to that necessary to raise the district's expenditures for salaries of classroom instructors per attendance ADA to the level of the average of the comparison districts or in an amount equal to that needed by the district to meet its share of estimated operating expenditures for the first six months of the budget year in excess of the sum of its general fund ending balances of unrestricted funds reduced by the amount of the deficiency.

Any part of the deficiency not exempted by the Board of Governors shall be designated by the Chancellor to be deposited in the county treasury to the credit of the district from state apportionments made after April 15, but unavailable for expenditure until the next fiscal year. The Chancellor also shall instruct the district to add the designated amount to the amounts to be expended for salaries of classroom instructors during the next succeeding fiscal year.

(l) District Plan. Conditional to consideration by the Board of Governors to grant a second or more consecutive exemption shall be a plan officially adopted by the governing board of the district specifying steps to be taken by that district to achieve compliance with Education Code Section 84362. The plan will be revised as needed or as requested by the Board of Governors.

NOTE: Authority cited: Sections 71020 and 84362, Education Code
Reference: Section 84362, Education Code.

CALIFORNIA COMMUNITY COLLEGES
Plant Maintenance and Operation Costs Per **ADA**

Noncomplying Districts	Fiscal Year 1979-80	1980-81	1981-82
Barstow	--	$ N/A*	--
Butte	$ 282*	--	$ 209*
Compton	233*	276	291*
Fremont-Newark	284*	218*	246*
Lake Tahoe	208*	184*	256*
Marin	277*	--	--
Palo Verde	237*	203*	233*
Santa Clarita	633*	526*	550*
West Hills	--	541*	--
West Kern	593*	723*	1,117*
West Valley	213*	--	--
Statewide	211	225	239

*Did not comply with the 50% Law in this fiscal year.

SN:ai (5/6/83)

CALIFORNIA COMMUNITY COLLEGES
50% Law Workload Statistics Update
Lowest and Highest Workload Districts

Fiscal Year 1979-80

Lowest District	Average Class Size
West Kern	7*
Lassen	10
Gavilan	11
Siskiyou	13
West Hills	14
Coachella Valley	16
Lake Tahoe	16*
Mendocino	16
Palo Verde	16*

Fiscal Year 1980-81

Lowest District	WSCH ÷ WFCH
San Diego	11
San Francisco	11
West Kern	14*
West Hills	16*
Palo Verde	16*
Mendocino	17
Rio Hondo	17
Coachella Valley	18
Yosemite	18

Fiscal Year 1981-82

Lowest District	WSCH ÷ WFCH
Kern	13
West Kern	15*
Lake Tahoe	16*
Palo Verde	16*
West Hills	17
Coachella Valley	18
San Diego	20
Mendocino Lake	21
Siskiyou	21

Fiscal Year 1979-80

Highest District	Average Class Size
Los Rios	28
Cerritos	27
Coast	27
El Camino	27
Pasadena	27
Rio Hondo	27
Saddleback	27
Santa Barbara	27
Santa Monica	27
Statewide Average	24

Fiscal Year 1980-81

Highest District	WSCH ÷ WFCH
Sequoias	36
Glendale	35
Chaffey	34
State Center	33
Marin	33
Sonoma	32
Mt. San Antonio	31
San Joaquin Delta	31
Contra Costa	31
	24

Fiscal Year 1981-82

Highest District	WSCH ÷ WFCH
Merced	45
San Jose	39
Mt. San Antonio	35
Sequoias	35
Allan Hancock	34
Santa Monica	33
Peralta	33
Cerritos	33
Coast	32
San Joaquin Delta	32
	28

*Did not meet 50% Law for this fiscal year.

SN:a /6/83)

CALIFORNIA COMMUNITY COLLEGES
50% Law Comparison of Workload Statistics for
Noncomplying Districts

District	1979-80 Fiscal Year			1980-81 Fiscal Year			1981-82 Fiscal Year		
	Average Class Size	Attendance ADA	50% Law Percentage	WSCH Per WFCH	Attendance ADA	50% Law Percentage	WSCH Per WFCH	Attendance ADA	50% Law Percentage
Barstow	19	1,033	52.8	25*	1,103	48.7	23	1,045	50.5
Butte	17*	4,746	50.2**	22	6,334	53.4	24*	7,202	50.1**
Compton	18*	3,855	46.5	20*	3,975	46.7	24*	4,099	44.8
Fremont-Newark	18*	4,119	44.2	22*	4,557	49.2	23*	4,785	50.0**
Lake Tahoe	16*	508	44.0	23*	614	46.0	16*	532	47.1
Marin***	20*	7,374	48.2	33	7,817	52.0	23	7,579	50.3
Palo Verde	16*	304	44.7	16*	329	47.4	16*	350	46.8
Santa Clarita	22*	1,621	40.6	23*	1,914	41.4	28*	2,051	43.2
West Hills	14	1,263	50.1	16*	1,256	48.9	17	1,233	53.3
West Kern	7*	710	45.6	14*	715	41.4	15*	677	40.0
West Valley***	24*	11,185	50.1**	24	13,277	52.3	26	13,948	52.1
Statewide	24	688,591	53.0	24	752,490	52.6	28	776,274	52.6

* District did not comply with 50% Law in this fiscal year.
** Nonexempted prior year deficiency caused district noncompliance.
*** Multi-campus district with one small campus.

SN:ai (5/6/83)

CALIFORNIA COMMUNITY COLLEGES

Comparison of Community College Districts With
Lowest and Highest Percentage Expended for 50% Law Purposes

Fiscal Year 1979-80		Fiscal Year 1980-81		Fiscal Year 1981-82	
	District	Average Class Size	District	WSCH Per WFCH	District	WSCH Per WFCH
Lowest						
	Santa Clarita	22	West Kern	14	West Kern	15
	Lake Tahoe	16	Santa Clarita	23	Santa Clarita	28
	Fremont-Newark	18	Lake Tahoe	23	Compton	24
	Palo Verde	16	Compton	20	Palo Verde	16
	West Kern	7	Palo Verde	16	Lake Tahoe	16
	Compton	18	Barstow	25		
	Marin	20	West Hills	16		
			Fremont-Newark	22		
Highest						
	Rio Hondo	27	Antelope Valley	27	Rio Hondo	26
	North Orange	24	Sequoias	36	Antelope Valley	26
	Antelope Valley	21	North Orange	24	Santa Barbara	26
	San Francisco	26	Santa Barbara	21	Chaffey	23
	Santa Barbara	27	Rio Hondo	17	Southwestern	29
	Solano	23				
Statewide		24		24		28

NOTE: The lowest districts are those which did not comply with the 50% Law and expended less than 50% for salaries of classroom instructors.

SN (5/6/83)

Section C THE APPLICATION OF THE 50% LAW TO THE BUTTE COMMUNITY COLLEGE DISTRICT

At its April, 1983, meeting, the Board of Governors granted the request of the Butte Community College District for exemption from the requirements of the 50% Law on the basis that its application would result in serious hardship to the district.

Prior to the Board's action, the Butte College Faculty Senate, although not the recognized faculty representative, had submitted a letter in opposition to the district's application. They also submitted volumes of material which staff reviewed. Staff found the material submitted by the Senate not relevant to this issue.

The Board of Governors then directed staff to discuss the Butte Community College District as an example of the 50% Law in application.

The Butte Community College District has had trouble with the 50% Law since fiscal year 1974-75. The percentage of its current expense of education which the districts has spent for salaries of classroom instructors since that year is as follows:

1974-75	49.6
1975-76	49.7
1976-77	49.9
1977-78	46.9
1978-79	51.2
1979-80	50.2*
1980-81	53.4
1981-82	50.14*

In the years asterisked, 1979-80 and 1981-82, although the district spent 50% of its current expense of education for salaries of classroom instructors, it was not in compliance with the law because of a prior year deficiency not exempted. That is, because of not receiving an exemption in a prior year, it was required to spend more than 50% for salaries of classroom instructors in those fiscal years, and did not do so.

Next we compare Butte's factors for determining comparable districts with those of other community college districts as evidenced in the statewide averages. Those factors are more thoroughly discussed in the April 1983 agenda item.

		Butte	Statewide Average
I.	Size		
	1. Fiscal year attendance ADA	7202	N/A
II.	Physical Plant		
	2. Ratio of assignable square feet (ASF) per attendance ADA	29,705,360	39,371,771

		Butte	Statewide Average
3.	Ratio of ASF to total square feet	0.716657	0.723454
4.	Ratio of plant maintenance and operation costs per attendance ADA	209.963760	239.744447
III.	Faculty		
5.	Ratio of part-time weekly faculty contact hours (WFCH) to total WFCH	0.463337	0.338319
IV.	Funding		
6.	Ratio of state and local revenue to the current expense of education (CEE)	1.136809	1.079486
7.	Ratio of state and local revenue to total revenue	0.955067	0.935982
V.	Access		
8.	Ratio of attendance ADA to the district's adult population	0.060470	0.044921
VI.	Students		
9.	Ratio of weekly student contact hours (WSCH) to WFCH	24.456273	28.404853
10.	Ratio of part-time students to total students	0.765629	0.785923
11.	Ratio of credit ADA to attendance ADA	0.911691	0.904557
VII.	Student Services		
12.	Ratio of student support activities costs to credit students	163.812011	150.901572

In only one of these factors does the Butte Community College District stand out from statewide averages. In 1981-82, Butte had the eighth highest ratio of part-time WFCH to total WFCH. The significance of this pales, however, when it is noted that none of the districts with a higher ratio of part-time WFCH to total WFCH also failed to meet the requirements of the 50% Law.

The Butte Community College District is an example of a district with continuing problems with the 50% Law. Yet, the district has spent more than 50% of its current expense of education for salaries of classroom instructors in each of the last four years. The district continues to be in violation of the law only because of a prior year deficiency which was not exempted.

In unofficial correspondence with the Chancellor's Office, members of the Butte faculty raised concerns about the district's administrative practices. These included that the district layed off regular teachers while hiring high school teachers to coordinate classes in the district's high schools, that the district was conducting classes in hospitals and health care facilities and counting unconscious patients as students, that a fact finding panel had ordered a 7.5 percent pay increase for faculty which the district had refused to pay. These are issues which are not properly addressed through the 50% law. The law does not provide either a mechanism or authority for second guessing a district's administrative practices. Although the district might have met the law's requirements by awarding a 7.5 percent pay increase, it could also have done so by hiring more instructors, by decreasing its student support programs, or not paying its utility bills.

The Butte Community College District is an example of how the many controversial issues in a community college district may be raised under the 50% law mechanism and how little that statute can affect those many issues.

Section D

COMPLIANCE WITH THE 50% LAW
(Submitted by FACCC)

Summary of Findings

7 districts out of 70 in California failed to meet the 50% Law in 1981-82.

Many other districts were able to meet the law, only because the law itself allows a long list of exempted expenditures.

CC Districts which failed to comply with the 50% Law did so, primarily because of their large ratio of administrators to students or because of their large number of part time faculty.

The 50% Law helps conserve public funds.

The 50% Law helps ensure that public funds are spent directly on education, not on "overhead."

Collective bargaining is in no way a substitute for the 50% Law.

The present grounds for waiver of the law are actually "loopholes."

Sanctions for violations of the law are extraordinarily mild and slow.

Materials on the 50% Law
(Submitted by the Faculty Association of the California Community Colleges)

The 50% Law is a concept developed in 1851 to insure that most of a school district's budget (at the time the minimum was set at 65%) went for teachers' salaries. In 1947 the minimum was changed to 85%, but the law allowed inclusion of all certificated personnel, not just classroom teachers. In 1959 the percentage dropped to 65%, but by continuing to include all certificated personnel, the law made it possible for districts to increase the numbers of non-teaching employees. When the relative decrease in classroom teachers became apparent in 1961, the current 50% minimum for community college teachers' salaries was adopted. Subsequently health and welfare benefits have also been included. In 1961 fifteen of the 24 districts could not meet the 50% minimum.

The question then and now remains the same: if districts are not spending 50% of their budgets on classroom instruction, what are they spending their funds on? A district may include only 75% of its total budget in calculation of the 50% minimum. Thus a district is presently only required to spend about 37.5% of its total budget on classroom teachers.

Public controversy could result if the law were successfully repealed. If college professionals cannot understand how a 50% minimum is unreasonable, imagine the difficulty the average taxpayer will encounter should the issue become public.

Some maintain that collective bargaining makes the 50% law unnecessary or that the law gives an unfair advantage to faculty in negotiations. However, such a proposition simply isn't valid. The advent of bargaining did not do away with other regulations establishing basic minimums. Colleges must still offer instruction for 175 days and must provide classes in specified areas. The 50% law simply establishes public policy relative to distribution of funds. Without such a legal minimum one could envision a situation where non-teaching personnel controlled the bargaining process and insured that less and less would be spent for classroom teachers: highly paid janitors would maintain magnificent classrooms in which poorly paid part-time faculty taught classes of several hundred students. The fact is that bargaining varies so from district to district, a 50% floor is necessary to protect the educational process throughout the state. No available information suggests that collective bargaining adversely affects a district's ability to comply. Certainly no faculty group has ever objected to receiving a salary increase in order to help their district comply with a 50% minimum, but then I do not know of a single instance when compliance was a major motive in determining the salary proposal which a district made. The central issue is how shall the public establish accountability for the management of local community college districts?

The problem with the law is not its existence but its enforcement. If a law based on a sound concept is difficult to enforce, you don't eliminate the law but rather change the regulations by which it is enforced. We are already making moves in that direction: the proposed new accounting pro-

cedures for community colleges should make reporting and comparison much easier. Pending law suits may help to clarify the issue for all. We maintain that if non-compliance were more severely penalized and if waivers were more difficult to obtain, the law would work as it was intended.

If the 50% law were eliminated, California community colleges would suffer in two significant ways. First is unrestricted growth of administrative and non-teaching teaching staff. There is no effective means of controlling such increases, and yet public dissatisfaction over "administrative overhead" is a very real factor in obtaining future funding. The second problem is the growth in the use of part-time faculty. Statewide 40% of the faculty contact hours are generated by part-time faculty, and in some districts it is as high as 60%. Repeal of the 50% law would make it more attractive for management to replace expensive full-time faculty with part-time and still maintain instructional programs. On the other hand, were districts to increase their full-time faculty, they would have no difficulty meeting the 50% minimum.

This is not the time to change the 50% law, except to toughen its enforcement. The public and the legislature demand accountability, and if we are to weather the current fiscal crisis, we must, like Caesar's wife, be above reproach. The 50% law becomes all the more vital as we see districts making financial decisions which call in question their educational priorities. The 50% law is necessary to stop the continued erosion of excellence in our colleges.

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